DOCUMENT RESUME

ED 351 176 RC 018 856

AUTHOR	Jones, Warren, Ed.
TITLE	Research in Rural Issues: An Annotated Bibliography.
INSTITUTION	Western Illinois Univ., Macomb. Illinois Inst. for Rural Affairs.
PUB DATE	Oct 90
NOTE	320p.
PUB TYPE	Reference Materials - Bibliographies (131)
EDRS PRICE	MF01/PC13 Plus Postage.
DESCRIPTORS	Agribusiness; *Agriculture; Banking; *Consolidated Schools; Curriculum; Economic Development; Educational Finance; Educational Policy; *Health; Local Government; *Rural Areas; *Rural Development; *Rural Education; Rural Schools; Social Services; *Transportation; Vocational Education

ABSTRACT

To facilitate research on rural issues, a task force composed of prominent rural residents and experts from universities in Illinois prepared this bibliography. Several thousand books, research reports, commission papers, government reports, and journal articles--most published after 1980--are listed in this bibliography. While focused on Illinois, the bibliography also covers material of national and international scope. The volume is divided into eight sections: (1) agriculture and agribusiness; (2) banks and financial intermediaries; (3) economic development; (4) rural education; (5) rural health issues; (6) local government; (7) social service; and (8) transportation. The entries in each section are listed by author. Each entry includes title, publisher, date, and an abstract. Entries of journal articles also include sources and page numbers. Each section is introduced with a literature review on the subject. The education section deals with school consolidation/reorganization issues, with particular focus on short- and long-term alternatives to consolidation. The majority of material in this section was intended to assist in policy making. Other topics covered in this section include school finance, curriculum (especially vocational curriculum needs), the general state of rural education, and materials for further research. Listings in the local government section focus on fiscal matters, management, government capacity and viability, and environmental concerns. (TES)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED331176

RESEARCH IN RURAL ISSUES:

An Annotated Bibliography

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

☑ This document has been reproduced as received from the person or organization originating it

☐ Minor changes have been made to improve reproduction quality

- Points of view or opinions stated in this document do not necessarily represent official OERI position or policy

Illinois Institute for Rural Affairs
Western Illinois University
Macomb, Illinois 61455
309/298-2237

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

Nancy Baird

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

BEST COPY AVAILABLE

RESEARCH IN RURAL ISSUES:

An Annotated Bibliography

Edited by Warren Jones

Illinois Institute for Rural Affairs

Western Illinois University

October 1990

TABLE OF CONTENTS

Acknowledgements i
Preface iii

AGRICULTURE AND AGRIBUSINESS 1

RURAL BANKS AND FINANCIAL INTERMEDIARIES 31

RURAL ECONOMIC DEVELOPMENT 49

RURAL EDUCATION 99

- *I. School Consolidation/Reorganization* 102
  - A. Consolidation/Reorganization Concerns
  - B. Case Analyses of School District Experiences with Reorganization
  - C. Analyses Involving Consolidation
- *II. Alternatives to Consolidation* 116
  - A. Present Alternatives to Consolidation
  - B. Innovative Techniques for the Future
- *III. School Finance* 125
  - A. Identifying and Coping with Financial Difficulties
  - B. Providing Equity in School Finance
- *IV. Curriculum* 131
  - A. Alternatives in Curriculum Development
  - B. Developing Special Programs
  - C. Vocational Education Curricula
- *V. General* 143
- *VI. Additional Resources* 150

RURAL HEALTH 153

RURAL LOCAL GOVERNMENT 195

- *I. Government Capacity and Viability* 198
  - A. The Structure of Local Government
  - B. Changes Impacting Upon Local Government
  - C. Mandates and Their Impact
- *II. The Fiscal Status of Rural Local Government* 213
  - A. Identifying and Coping with Fiscal Pressures
  - B. Resource Information for Sound Fiscal Management
  - C. Revenue Base and Related Factors
  - D. Analyses of the Changing Financial Environment of Local Government

III. The Management of the Rural Community 226
  - A. Professional Management
  - B. The Delivery of Services
  - C. The Role of Technology in Local Government

IV. Environmental Concerns 237
  - A. Energy Concerns
  - B. Recycling Concerns
  - C. General Concerns

RURAL SOCIAL SERVICE 243

RURAL TRANSPORTATION 291

ACKNOWLEDGEMENTS

With any project of this size, there are a large number of people who have contributed significantly to its completion. Among the many who have assisted are the staffs of the Interlibrary Loan System at the universities of the authors. In addition, the staffs of libraries from which material was requested contributed significantly by forwarding materials to us in a timely manner.

We are also grateful to the Illinois Institute of Rural Affairs at Western Illinois University for generous funding that allowed this project to be completed. The Institute Director, Dr. Norman Walzer, has been most helpful in the many stages of the project.

The typists for the project are also due a great deal of credit for their patience and diligence, especially as the deadline for completion neared. Mary Sherwood, Esther Hendricks, and Kathleen Myers all did outstanding service for which we are grateful. Kathleen Myers also assisted with the editing of the citations and annotated a significant number of pieces.

This project could not have been completed without the kindly assistance of the above individuals and groups. However, any remaining errors or omissions are solely the responsibility of the authors and the Project Director.

INTRODUCTION

In 1986, Governor James Thompson formed the Illinois Task Force on the Future of Rural Illinois with Lt. Governor George Ryan as chairman. The Task Force was composed of prominent rural residents and was assisted by a team of experts from various universities in Illinois. Among the projects under taken by these experts was an annotated bibliography of research in rural issues.

This annotated bibliography is considerably more ambitious than the original work. Included in topic areas are: agriculture and agribusiness; banking and financial intermediaries; economic development; education; health; local government; social services; and transportation. In each of these areas are issues of considerable importance to rural residents.

One of the chief aims in developing this annotated bibliography is to encourage research into rural issues. Literature directly related to rural Illinois is included in every bibliography. All, however, have gone beyond the local literature to include national and international materials as well. The inclusion of this geographically diverse material serves several purposes. First, the focus on Illinois makes this document particularly relevant to individuals concerned with local issues. Second, the examination of the national and international materials may suggest research approaches which are also applicable to Illinois issues. Finally, the geographical diversity may indicate those concerns which extend beyond local geographic boundaries and are common to all rural areas.

As was the case with the original bibliographies, experts from several Illinois universities took part in its development. The universities represented in the current project are: Illinois State University; Northern Illinois University; Southern Illinois University at Carbondale; Western Illinois University; and Western Michigan University. All the Illinois universities are represented in the materials which have been annotated. This clearly indicates the interest the staff of Illinois universities have in the welfare of rural Illinois.

It has been a pleasure preparing this annotated bibliography. Our hope is that it will encourage additional research into solutions for the problems which confront not only rural Illinois but rural residents in general. We hope that you will find this work of considerable benefit.

Warren L. Jones
Project Director
Western Illinois University

AGRICULTURE AND AGRIBUSINESS

Patrick D. O'Rourke
Illinois State University

Agriculture and agribusiness, as descriptors of types of business/industry, parts of the economy or areas of concentration for education and research, are not separable conceptually or in reality in any society. The possible exception would be a society in which everyone is a self-sufficient producer of their own food and fiber needs (no surpluses or deficits). Conceptually, to many, agriculture means farming and agribusiness (a newer concept) means farm suppliers and grain and livestock market places. Agriculture (farming) is a business and, therefore, one could argue, an agribusiness. The many businesses that provide inputs to farms and provide the goods and services that transform farm products into consumable food and fiber are involved in agriculture.

Economic, social and environmental forces that affect agriculture and agribusiness affect us all as consumers of food and fiber. These affects may be directly felt in the prices, quantities and qualities of food and fiber available. Similarly, economic, social and environmental forces that affect consumers will affect agriculture/agribusiness.

This annotated bibliography has been assembled with the objective or at least provide a starting point for those interested in research related to agriculture/agribusiness topics. Given the broad and ubiquitous interrelationships suggested above, this bibliography will certainly fall short of completely meeting this objective. It will, however, serve as a catalyst or signpost for those looking for research opportunities in agriculture/agribusiness.

Research Agendums

Research in agriculture has been characterized for several decades by the incorporation and/or dependence on other disciplines: plant sciences, animal sciences, social sciences, physical sciences and management sciences. Its dependence on interdisciplinary relationships has grown over time and expanded to include areas that are also multi- or interdisciplinary: environmental science, resource science, ethics, economic and social development, politics and international trade. This has resulted in many proposals of agenda for research. I have tried to represent this diversity in the citations of this bibliography.

Several writings cited propose agenda either directly or by inference which are broad in scope and yet do provide some specificity. The broadest agenda was implied by L. Tim Wallace (1987) in his overview of the food and fiber system in the United States. This work had been previously published in *Applied Agricultural Research* in 1986. His rather complete overview of the food and fiber system was organized in a manageable taxonomy of subject areas indicating issues of importance:

- An overview of the globalization of agriculture and the U.S. food fiber system.
- Macro economic forces shaping the U.S. food and fiber system.
- The changing structure of farming and agribusiness and its impact on rural communities.
- The future supply of production inputs with special attention to energy.
- The impact of technological changes on agriculture, agribusiness and public/private institutions.
- The power of the consumer and their impact on the food and fiber system.
- The opportunities in international agriculture trade.

- An overview of federal farm policy and policy alternatives and the future role of government in agriculture.
- A review of policy issues regarding land, air and water and the sustainability of an economically profitable agriculture.

Joseph Havlicek, Jr., in his presidential address to the 1986 annual meetings of the American Agricultural Economics Association (1986) noted, "U.S. agriculture has always been susceptible to changes occurring within the agricultural sector and in other sectors of the economy. But one would be hard-pressed to identify another time in the history of U.S. agriculture when there are so many changes occurring so rapidly with such large potential effects." He identified five "megatrends" be considered to be the most critical ones affecting U.S. Agriculture (1986, 1053):

- Changes in the domestic consumption of food and agricultural products--a shift from animal to plant products.
- Macroism and internationalism--domestic and international economic interdependencies of U.S. agriculture.
- Technological change--accelerated dynamics in an economy in transition from an industrial to an informational economy.
- Structural change--largeness and fewness of farms and agribusiness firms.
- Environmentalism--concerns about resource, chemical, and pharmaceutical use by a society in transition from a representative to a participatory democracy.

The views and plans of agricultural research, extension and higher education institutions in the United States were utilized by the Joint Council on the Food and Agricultural Sciences (1988) in their biennially submitted Five-Year Plan to the Secretary of Agriculture. The report describes seven critical societal concerns on which these institutions should focus and identifies associated issues and challenges. The report presents specific goals and objectives for research, extension and higher education as an outline for allocating resources and addressing critical concerns and issues over the five-year planning horizon. The seven critical societal concerns identified in this report are:

1. Restoring a Competitive and Profitable Agriculture,
2. Revitalizing Rural America,
3. Maintaining Water Quality,
4. Enhancing the Future Through Biotechnology,
5. Advancing Knowledge and Scientific Expertise in Agriculture,
6. Understanding Food, Diet and Health Relationships, and
7. Managing Germplasm and Maintaining Genetic Diversity.

This report identified 27 Issues representing challenges to be addressed. A selected sample of those issues makes clear the breadth, complexity and multi-disciplinary nature of the research and educational challenges concerning agriculture and agribusiness:

Can U.S. agriculture compete profitably in foreign markets?

Can U.S. agriculture increase its profitability enough to maintain its status as a vibrant and healthy contributor to the overall economy?

Can a well-conceived analytical and information dissemination system help the United States do a better job of directing agricultural and forestry programs and policies toward achieving established long-term goals?

Can economic stability be reestablished in rural areas?

Has the complexity of the modern world, along with its associated institutions, taken away the ability of rural areas to shape their own future?

What characteristics of landscapes, soils, geologic formations, forests, and farming systems determine the rates at which agricultural chemicals enter groundwater?

Can the public health effects of agriculturally induced degradation of groundwater quality be quantified?

Which of the more widely used agricultural chemicals present serious risks to the environment, and what properties should be added to new generations of chemicals to improve their environmental compatibility?

Can the agricultural research, extension, and higher education system develop enough highly qualified professionals to educate and train future scientists, conduct biotechnology research, and transfer the resulting knowledge and technology? Will the system be able to justify and secure the necessary resources to take full advantage of the agricultural revolution that biotechnology portends?

Will investments in biotechnology exacerbate problems of oversupply and depressed prices by increasing production?

Does the university system have the expertise and the desire to make the internal modifications necessary to provide this leadership for positive change?

Can existing technology transfer and information outreach programs continue to deliver information effectively despite resource allocations which will require them to accomplish more with less resources?

Will food scientists and related agricultural professionals be able to coordinate their efforts to take advantage of the potentials of biotechnology and to direct research at areas of greatest need?

How can the food and agricultural science system help ensure that microbiological safety principles are not compromised as new foods and new processing techniques are developed?

What actions are necessary to ensure that the food supply is free from toxic residues?

Will trained personnel be readily available to carry out germplasm acquisition, maintenance, and evaluation?

Finding Direction

There are other publications cited in this bibliography which suggest additional research issues for the future in agriculture and agribusiness. Many of these are more specific than those listed above, but could be related to one or more of the more general issues, trends or concerns. In an era of rapidly increasing gains in science and technology one of the major challenges for research scientists will be to remain current. This will involve learning new research methodologies within their discipline as well as building the multi-disciplinary teams to address many of the relevant issues.

Agriculture and agribusiness will be affected and changed, perhaps dramatically, by applications of new biotechnological developments, by the changing world political and economic order, by the growing concerns and knowledge about micro and macro environments, and the capacity of our science and education institutions to keep pace with relevant research and education programs.

Antle, John M. *Pesticide Policy, Production Risk, and Producer Welfare: An Econometric Approach to Applied Welfare Economics.* **Washington, DC: Resources for the Future, 1988**. The author provides an overview of agricultural pesticide use and management, social welfare and private costs and benefits, and pesticide policy. The discussion of the theoretical foundations and the econometric model may be of interest to specialist. The overview and the case study, California processing-tomato production, are good background for anyone interested in agricultural pesticide management and related public policy.

Archibald, Sandra O. "Regulating Chemicals." *Choices: The Magazine of Food, Farm and Resource Issues* **(First Quarter, 1990): 20-25.** This article is based on part of a major study on chemicals in the Human Food Chain, sponsored by the Agricultural Issues Center of the University of California. The results reported here are based on interviews and round-table discussions with nearly 100 representatives of industry, consumer groups and government agencies in California. The article reports: Policy and regulatory decisions about the use of chemicals in food production and processing are unavoidable. However, scientific and economic information upon which to base these decisions is limited. At the same time many people have stakes in the benefits or costs associated with the use of these chemicals. Consumers are increasingly concerned that current regulations do not emphasize health risks sufficiently and give too much emphasis to current economic benefits from chemicals. Producers and food industry leaders are convinced that regulations protect consumers and that more stringent regulation in response to overstated health risks will result in higher food costs without improvements in health. Chemical manufacturers seek regulations that are consistent and uniform, and risk assessors and regulators argue that regulations should be undergirded with "good" science. Results are more completed described in a recent Agricultural Issues Center publication by the same title as the study--*Chemicals in Human Food Chain.* The proceedings of the Center's June 1988 symposium and several other study group reports have also been published. These reports are available from the Agricultural Issues Center at UC Davis, CA 95616.

Atwood, Jay D., Klaus Frohberg, S.R. Johnson, Thyrele Robertson and Leland C. Thompson. *National and Regional Implications of Conservation Compliance.* **Staff Report 89-SR38. Ames, Iowa: Center for Agricultural and Rural Development, Iowa State University, November 1989.** The 1985 Food Security Act linked conservation compliance to participation in commodity programs. The analysis reported in this paper had the objective to provide information on national and regional implications of conservation compliance. Alternative per acre soil loss restrictions were assessed using a national Agricultural Resource Interregional Modeling System (ARIMS). The analyses indicated that a conservation compliance standard of 5 tons per acre would reduce cropland erosion in most regions by 30-60 percent from the baseline level. Major shifts to conservation tillage and other erosion-reducing cropping practices were required to achieve conservation compliance. These shifts lead to increases in production costs of 2-5 percent. Even a relatively modest mandatory restriction on soil loss of 20 or 10 tons per acre resulted in major reductions in erosion rates, with modest increases in total production costs. Thus, conservation compliance standards more stringent than those now used by the states would not significantly distort production or comparative regional advantages. Costs of conservation compliance to producers and consumers would be modest at best.

Babb, Emerson M. "Production and Operations Management." *Agribusiness: An International Journal* **2 (Winter 1986) 421-29.** Presents a historical perspective of research on production and operations management from firm cost studies through systems analysis. the information needs of firms is explored and two research problems were discussed in-depth: comparative performance information and the development of expert systems.

Barry, Peter J., John A. Hopkin and C.B. Baker. *Financial Management in Agriculture.* **4th ed. Danville, IL: Interstate Printers and Publishers, 1988.** This textbook is focused on financial management of agriculture enterprises. The major sections cover the nature and scope of financial management, measurement and analysis of financial performance, the concepts of leverage, risk and liquidity, valuation and decision making, and financial intermediaries. The text is targeted primarily to advanced undergraduate or beginning graduate students but may also be useful to others seeking a better understanding of the financing of farm production.

Batie, Sandra. S. "Emerging Rural Environmental Issues." In Increasing Understanding of Public Problems and Policies-1988. **Oak Brook, IL: Farm Foundation, January 1989.** Batie discusses the emerging environmental issues as they relate to agriculture. Her approach may provide new insight as she addresses these issues by discussing a series of questions in four areas: (1) What are appropriate management goals for natural resources? How safe is safe? How clean is clean? How should we resolve conflicting uses and handle uncertainties?, (2) What is the appropriate role of government in protecting environmental quality, resource quantity and access to natural resources?, (3) Who should bear the costs of any management strategies?, and (4) Who decides?

Baum, Kenneth H., C. Edwin Young, and Stephen Crutchfield. "Resource, Conservation and Environmental Policy." In *Agricultural-Food Policy Review: U.S. Agricultural Policies in a Changing World.* **Agricultural Economic Report no. 620. Washington, DC: Economic Research Service, U.S. Dept. of Agriculture, Nov. 1989.** Provides an overview of U.S. soil and water resources and suggests related issues of concern for those involved in developing farm legislation. Several issues are expected to have greater importance in the 1990's due to new and better public information and changes in public awareness: soil erosion, water quality, farmland conservation, agriculture's effect on endangered species, a potential conflict between commodity programs and subsidized irrigation water supplies, the relationship between policies effecting agricultural trade and the use of agricultural resources and the regulation of biotechnology in agriculture production.

Beck, Roger J., and Eric H. Faymire. "Factors Affecting Farmer's Attachments to Production Agriculture." *North Central Journal of Agricultural Economics* **11 (January 1989): 49-57.** The authors address the affect of economic factors such as employment structure in rural areas on the structure of agriculture through the rural labor market. The authors employ a statistical procedure called principal components to describe the attachment of farm operators to production agriculture with a single county index for farm operators in 1978 and 1982. One result was "between 1978 and 1982 farm operators in Illinois counties dominated by larger farms were more likely to devote more time to available off-farm employment opportunities than farm operators in counties characterized by smaller farms.

Beierlein, James G., Kenneth C. Schneeberger, and Donald D. Osburn. *Principles of Agribusiness Management.* **Englewood Cliffs, NJ: Prentice-Hall, 1986.** This textbook covers the basic principles and tools of agribusiness management. It is organized in major sections covering four functions of management: planning, organizing, controlling, and directing.

Bowker, J.M., and James W. Richardson. "Impacts of Alternative Farm Policies on Rural Communities," *Southern Journal of Agricultural Economics* **21 (Dec. 1989): 35-46.** This study was conducted in Texas on data from Terry County, Texas. However, the model used could be applied to Illinois or Midwest areas. The model used was a linear programming model incorporating an input-output model with its basic balance equations serving as constraints. The economic impacts of three alternative farm policies were analyzed (Continuation of the 1985 Farm Bill, Lower Target Prices, and Harkin Bill). The results indicate that two groups of non-farm businesses are most affected: Group 1 is those businesses providing inputs to farms, Group 2 is the more general retail trade and service businesses. Farm policies which reduce production but increase net returns to farmers cause losses for the first group while benefiting the second group. Both groups are worse off with farm policies which reduce agricultural production and the value of that production.

Bullock, J. Bruce. "Changing Structure of Rural Communities." Economic and Marketing Information. **Vol. 29. Columbia, MO: Coop. Extension Service, University of Missouri. July 1986.** In an effort to stimulate discussions regarding forecasts and anticipated changes in rural communities for the next decade, in this newsletter Bullock identifies a list of change forces that will have an impact on rural America over the next 10 years. The change forces Bullock lists include: the decreasing number of farm families, the declining relative importance of farm income to rural communities, decreased dependence of commercial farms on local suppliers, improving technology in the commercial sector resulting in regional (rather than local) trade centers, reduced tax base, liability concerns that limit the numbers of people willing to seek public office, increasing cost of living in rural areas, changing agricultural technology, a concentration of production on the best soils while marginal soils go to other uses, and a two-tiered agriculture--a relatively small number of large farms producing most of the output, and a large number of smaller farms producing a relatively small proportion of total output.

Bunch, Karen L. "Consumption Trends Favor Fresh, Lowfat, and Sweet." *National Food Review.* **NFR-32. Washington, DC: Economic Research Service, U.S. Dept. of Agriculture, Winter 1986.** The predominant trends in the latest data collected by U.S.D.A. indicate that Americans increasingly favor foods that are fresh, lowfat and sweet. This article includes consumption data on meats; dairy products; fresh fruit; fats and oils; canned, fresh and frozen vegetables; grains; sugar and alcohol.

Burk, Bruce., and David Lins. *Illinois Agricultural Loan Guarantee Program: Potential Impact on Illinois Cash Grain Farms.* **Dept. of Agricultural Economics Staff Paper. Urbana, IL: University of Illinois, March 1986.** This paper describes the Illinois Agricultural Loan Guarantee Program, and reports projected financial outcomes for an average Illinois cash grain farm. These results indicate that loans could improve the cash flows of many highly leveraged farm operators under a variety of economic conditions, but in most cases, this debt restructuring is not sufficient to increase income to a level that will ensure long-term survival of the farm operation.

Burk, Bruce., and David Lins. *Illinois Agricultural Loan Guarantee Program: Future Considerations.* **Dept. of Agricultural Economics Staff Paper. Urbana, IL: University of Illinois, May 1986.** As the State Loan Guarantee Program is being implemented, changes have been suggested. These unresolved issues are addressed in this paper, which focuses on: an evaluation of the effects on farm operators and on potential loan losses to the State of raising the maximum debt to asset ratio, other possible changes in the eligibility criteria for the State Loan Guarantee Program, and the incentives for lender participation in the program.

Caswell, Julie A., and Ronald W. Cotterill. "Two New Theoretical Approaches to Measuring Industry and Firm Performance." *Agribusiness: An International Journal* **4 (November 1988) 511-520.** The authors note "This article discusses two leading theoretical approaches to understanding how firms operate in markets and the functioning of their internal organizations. Game theory is a microanalytic approach that offers a useful framework for organizing thinking about the factors that influence firm strategic conduct vis-a-vis its competitors. Agency theory is mainly concerned with market mechanisms, such as an executive labor market or market for corporate control, that may discipline firm management in the absence of ownership control. Both approaches can yield useful hypotheses for empirical testing of factors affecting industry and firm performance."

Cavanaugh-Grant, Deborah. *A Study of Illinois Farmers' Attitudes and Current Farming Practices.* **Springfield, IL: Illinois Department of Energy and Natural Resources, January 1990.** The author notes increased interest in "sustainable agriculture" practices as a means for addressing environmental and economic concerns for production agriculture. Farmer attitudes and practices were assessed based on data from a random sample of 1,000 farm operators in Illinois. A total of 468 questionnaires were completed. The results of the survey were used to assess: (1) current farming practices, (2) the number of farmers contemplating changes in farming practices, (3) farmers sources of information concerning farm practices, and (4) farmer attitudes concerning pesticides, health, economics, and ground water and surface water quality. The author concludes that few farmers practice "sustainable techniques" of farming.

Chattin, Barbara., and Robert Wise. "Agricultural Trade Policy and GATT Negotiations." In *Agricultural-Food Policy Review: U.S. Agricultural Policies in a Changing World.* **Agricultural**

Economic Report no. 620. Washington, DC: Economic Research Service, U.S. Dept. of Agriculture, Nov. 1989. The authors assert that the current Uruguay Round of GATT negotiations appear to recognize, for the first time, "that discipline on trade policies will require discipline on domestic farm policies." Domestic agricultural policies are an integral part of agricultural trade problems. A brief history of GATT and background on GATT and agriculture is given. An excellent summary is provided of the U.S. proposal and eight other proposals on agriculture submitted to the Uruguay Round of GATT negotiations, which began in 1986.

Clark, Edwin H., Jennifer A. Haverkamp, and William Chapman. *Eroding Soils: The Off-Farm Impacts.* **Washington, DC: The Conservation Foundation, 1985.** This report describes the impact of soil erosion on agricultural land productivity and crop yields and goes on to detail off-farm damages. After reviewing the chemical, physical, hydrological and ecological principles essential to understanding how eroding soils can cause different types of impacts off the farm, the report assesses the magnitude of the problems and provides a tally and analysis of their estimated economic impacts--about $6 billion a year in 1980 dollars. This report also summarizes what is known about the effectiveness of current techniques for controlling runoff from agricultural lands and discusses ways to help target federal soil conservation monies to mitigate the most severe problems.

Crom, Richard J. *Economics of the U.S. Meat Industry.* **Agriculture Information Bulletin 545. Washington, DC: Economic Research Service, U.S. Department of Agriculture, November 1988.** The author presents a synthesis of research on the meat industry including consumption trends, distribution system, processing, structure, cost and returns, and regulation and public policy. "Total U.S. meat consumption will probably grow slowly between 1987 and 2000, in line with the expected 12- to 15-percent population expansion. This slow growth, plus the increased availability of crop-based foods, challenges producers to develop meat products that appeal to the consumer and can be produced to sell at competitive prices. The 1984 real (inflation-adjusted) retail prices for beef and pork dropped almost 20 percent from 1960 levels, and real prices for broiler meat dropped 50 percent. These decreases resulted from the meat industry's move to fewer but larger, more efficient firms. These firms slaughtered and produced more than 60 percent of U.S. livestock and poultry at lower unit cost than smaller, similar firms."

Dixit, Praveen M., Michael T. Herlihy, and Stephen L. Magiera. "Global Implications of Agricultural Trade Liberalization." In *Agricultural-Food Policy Review: U.S. Agricultural Policies in a Changing World.* **Agricultural Economic Report no. 620. Washington, DC: Economic Research Service, U.S. Dept. of Agriculture, Nov. 1989.** The authors report results from a historic simulation model indicating the global impact of agricultural trade liberalization for 1986. In an appendix, they compare their results with four other economic models. This report asserts "Agricultural trade liberalization by the industrial market economies would expand world trade and lead to higher world prices for most commodities . . . Farmers [in many countries] would be equally well off, the trade and resource distortions caused by current agricultural policies would be eliminated, and the budget cost of supporting farm incomes in many countries would decline."

Dobson, W.D., and Freddie L. Barnard. "The Problems and Prospects of the Farm Credit System." *Agribusiness: An International Journal* **3 (Fall 1987): 323-37.** This is an excellent article on the Farm Credit Systems recent history of problems. It examines forecasted (Project 1995) and actual events for the System and the operating practices and regulations governing the System's lending decisions. The authors provide a very useful chronology of developments before and after the federal legislation which provided assistance for the Farm Credit System. This chronology covers the period from February 1985 to February 1987. The authors suggest the Farm Credit System may have to centralize some functions, diversify its loan portfolio and help clients better manage credit to attain sustained improvement.

Dooring, Folke. *Energy Use for Midwestern Agriculture,* **Agricultural Economics Research Report 194. Urbana, IL: Department of Agricultural Economics, University of Illinois, August 1984.** This study determined the direct and indirect use of energy in and for Midwest agriculture in

1978. It was estimated that U.S. agriculture used about 4.5 percent of the nation's total energy consumption. results of this study illustrate the extent to which changes in energy prices contribute to crop and livestock enterprise production costs. It also has a brief discussion of the energy cost of meat as food.

Dooring, Folke. *Farming for Fuel: The Political Economy of Energy Sources in the United States.* **New York: Praeger Publishers, 1988.** Dooring reviews U.S. energy options but would seem to lean toward one option based on the preface of the book: "that the best future mainstay of energy supply in the United States is methanol, eventually to be produced entirely from biomass. This will solve not only the problems of energy supply and vulnerable oil imports but also the farm problems of surplus production, low prices, soil erosion, and the ecological ones of air pollution and eventual overheating of the atmosphere." While one may disagree with this assessment, the book is useful in its presentation of the interdependencies of several areas; energy, farm policy, and environmental issues.

D'Souza, Gerald E. "Structure of the U.S. Soybean Processing Industry in the 1990's." *Agribusiness: An International Journal* **4 (January 1988): 11-23.** This study found that a reorganization of the U.S. soybean processing industry in terms of number, size and location of processing plants would result in minimizing costs of transshipment for the industry. This analysis found that optimal processing capacity would increase in west-central Illinois and decrease in east-central Illinois. "A transshipment model was used to derive the existing and projected optimal structure of the U.S. soybean processing industry. Analyses of model results for various time periods indicate that the potential exists for significant cost reductions on a national basis, if processing plans could be more optimally sized and located. It was also found that present processing capacity was in excess of present needs in most regions of the U.S.; however, by the year 2000, almost all regions would need more plants or greater capacities than currently exist."

Dunham, Denis. *Food Cost Review-1988.* **Agricultural Economics Report 615. Washington, DC: Economic Research Service, U.S. Department of Agriculture, July 1989.** This annual report presents data and analysis of interest to agriculture and the food industry. The data covers: retail food prices; "market basket" prices; food industry costs, profits, and productivity; the distribution of food spending and the distribution of food spending in relation to income. The summary for 1988 showed: "Food prices, as measured by the Consumer Price Index, increased 4.1 percent in 1988, the same increase as in 1987. But prices rose at a much higher rate in the second half of 1988 than in the first half due to the severe drought and other market factors. The prices farmers received for commodities, as measured by the farm value of USDA's market basket of foods, rose 3.6 percent. Farm value of foods had dropped in 2 of the previous 3 years. The farm value share of the food dollar spent in grocery stores was 30 percent, unchanged from 1987. The farm-to-retail price spread of USDA's market basket of foods rose 4.7 percent, partly reflecting higher prices of inputs used in handling, processing, and retailing foods."

Durst, Ron L., and Patrick J. Sullivan. "The Role of Federal Credit and Tax Policy in Agriculture." In Agricultural-Food Policy Review: U.S. Agricultural Policies in a Changing World. **Agricultural Economic Report no. 620. Washington, DC: Economic Research Service, U.S. Dept. of Agriculture, Nov. 1989.** Reviews the role of federal credit and tax policies in the overinvestment and overproduction in the farm sector during the 1970's and the agricultural debt crisis of the 1980's. Conflicts do occur between credit and tax policies and other federal farm policies. The authors changes in farmer attitudes as well as federal credit and tax policies have reduced the possibility of another easy credit induced farm sector expansion.

Farnsworth, Richard L., and Robert Walker. "Soil Conservation Laws and Major Programs." Farm Economic Facts and Opinions. **Urbana, IL: Cooperative Extension Service, University of Illinois, July 1986.** This newsletter highlights major changes in state and federal programs to reduce erosion as they apply to Illinois farmers. The authors review the Illinois "T by 2000" guidelines and use recent survey results from the 1982 National Resource Inventory to put the soil erosion problem into perspective. The article discusses the conservation section of the Food Security Act of 1985 and state and federal conservation programs.

Featherstone, Allen M., and Timothy G. Baker. "Effects of Reduced Price and Income Supports on Farmland Rent and Value." *North Central Journal of Agricultural Economics* **10 (July 1988): 177-89.** This study reports an analysis of the impact of two alternative federal farm policies on farmland rent and value in the Midwest. An econometric model of land value and rent was formulated and estimated and an econometric simulation of the grain markets was used to determine the probability distribution of grain prices. The data was from Indiana with some production data from Tippecanoe County. The results suggest that land prices and cash rent would be lower and more variable under a more market oriented policy than under a continuation of the 1985 farm program scenario.

Fiske, John R. "A Comparative Analysis of the Return to Equity and Weighted Average Cost of Capital Approaches to Capital Budgeting." *Agricultural Finance Review* **46 (1986): 48-57.** "Two widely used variations or the net present value formula--the weighted average cost of capital approach and the return to equity approach--are reconciled for both the single period and the multiperiod case. In both cases, the differences in net present values emerging from the two approaches can be attributed to alternative assumptions about the value and incidence of debt capacity."

Fleisher, Beverly. "The Evolving Biotechnology Industry and Its Effects on Farming." In *Agricultural-Food Policy Review: U.S. Agricultural Policies in a Changing World.* **Agricultural Economic Report no. 620. Washington, DC: Economic Research Service, U.S. Dept. of Agriculture, Nov. 1989.** The author suggests coordination is needed between externally imposed environmental constraints and response to them from the agricultural sector to improve their consistency with more traditional farm programs. This paper presents a brief background on ground water and surface water contamination from agricultural chemicals and runoff.

Frohberg, Klaus., Doug Haney, Matthew Holt, Derald Holtkamp, S.R. Johnson, W.H. Meyers, LeLand C. Thompson, Greg Traxler, and Pat Westhoff. *National and Regional Impacts of Targeting the Conservation Reserve.* **Staff Report 89-SR39. Ames, IA: Center for Agricultural and Rural Development, Iowa State University, November 1989.** This report examines the suggestion that including, or targeting, land adjacent to water bodies and rivers in the conservation reserve (CR) may reduce erosion and improve water quality. These buffer strips would be planted to vegetative cover. This paper analyzes the economic benefits of including bugger strips as eligible CR land, and it reviews the problems of identifying such areas. For this study, data from the 1982 Natural Resources Inventory (NRI) were used to estimate eligible acres. Three alternative levels of targeting eligible acres were evaluated. The results suggest that farmers in the Midwest would not be collectively worse off as a result of the targeting options analyzed. In fact, they would experience higher net returns on the basis of higher CR payments and higher commodity prices, which would result from reserve-related reductions in available cropland. Other results indicate that per-acre erosion would increase on land outside the program, because the potential erosion levels on some of the buffer strip land are not as high as those for regular CR land. Regional impacts are highly sensitive to commodity prices and to CR payments.

Funk, Thomas F., and Maryse J. Hudon. "Psychographic Segmentation of the Farm Market." *Agribusiness: An International Journal* **4 (March 1988): 119-141.** "This article uses psychographic clustering techniques to segment the market for farm supplies. Twenty-three psychographic dimensions produced four clusters: leading edge entrepreneurs, progressive farmers, traditionalists, and the marginal majority. The segments were found to differ in several important respects, but principally in terms of adoption behavior, opinion leadership, and management capabilities." This exploratory research utilized a data base developed in 1985 from Ontario farmers who filled out questionnaires at winter meetings. This approach could be valuable for input industries selling to farmers.

Gady, Richard. "Competitiveness in Agricultural Policy." *Journal of Production* Agriculture **3 (July/September 1990): 265-68.** Gady, an executive of CONAGRA, believes the policy arena has not fully recognized the potential for loss of competitiveness in U.S. Agriculture. His view is important because it comes from an agribusiness rather than an academic background. He discusses five key areas effecting the competitiveness of agriculture and agribusiness in the coming decade: (1) the globalization of agriculture and agribusiness, (2) the changing structure of industry, (3) increasing nutritional concerns, (4) environmental and food residue concerns, and (5) biotechnological advances and agricultural commodity substitutes. Gady also discusses the importance of involvement by agricultural interest groups in policy making on several key issues including ground water and food integrity.

Gorman, William D., G. Rex Lish, Bruce J. Pierce, and James O. Randel. "Research Issues in Agribusiness Management: The Topic of Finance." *Agribusiness: An International Journal* **2 (Winter 1986) 467-76.** This article discusses suggested research needs or opportunities related to agribusiness in six areas: (1) impact or implications of federal tax policies, (2) tax law and the attractiveness of lease financing, (3) reasons for the inadequacy of sources of investment capital, (4) factors that motivate investment decisions in agribusiness, (5) entrepreneurial knowledge and behavior with respect to financing decisions, and (6) interactions between forms of business ownership and financing alternatives.

Gould, Brian W., and William E. Saupe. "Changes in the Distribution of Income and Wealth of Farm Households: Evidence from Wisconsin Panel Data." *North Central Journal of Agricultural Economics* **12 (January 1990): 31-46.** The study reported in this article examined the recent changes in distribution and source of household income for farm families in southwestern Wisconsin. The farm family sample was interviewed in 1983 and 1987. The results show the diversity in this farm population in types of income. The diversity relates to type of farm operation and the age of life cycle stage of the operator. The differences in income and wealth levels, as well as sources of income, highlight the importance of developing well targeted farm and rural programs addressing farm income, rural development or displaced farmers.

Guither, Harold D., Bob F. Jones, Marshall A. Martin, Robert G.F. Spitze, and other contributing authors. *U.S. Farmers' Preferences for Agricultural and Food Policy In The 1990s.* **Illinois Agricultural Experiment Station Bulletin 787. Urbana, IL: Illinois Agricultural Experiment Station, University of Illinois, November 1989.** This publication was a joint effort of the North Central Public Policy Education Committee and the North Central Regional Policy Research Project (NCR-151). Surveys of individual farmers were conducted in 21 states in the spring of 1989 and responses are reported by state and region. Farmer responses are reported on farm legislation attributes of target prices, loan rates, land diversion, acreage bases, dairy support, distribution of benefits, conservation programs, disaster relief, domestic and foreign food assistance, rural development, trade and federal spending.

Guither, Harold D., and Harold G. Halcrow. *The American Farm Crisis: An Annotated Bibliography with Analytical Introductions.* **Ann Arbor, MI: Pierian Press, 1988.** This book is one in a bibliographic series on Resources on Contemporary Issues. It is a worthy primer for those interested in agricultural issues. It contains a detailed chronology of farm policy and agriculture in the United States. the contents are organized under these chapter headings: The American Farm in Transition, The Scientific and Technological Revolution in Farming, The Evolution in Farm Business Management, The Evolution in markets and Marketing of Agricultural Products, The Farm and Its Setting in the Rural Community, Government Farm Commodity Programs, Transforming Traditional Goals for Times Ahead, and Educational Programs for Implementing Change.

Halbrendt, Catherine., and Melvin Blase. "Potential Impact of Biological Nitrogen Fixation: The Case of Corn." *North Central Journal of Agricultural Economics* **11 (January 1989): 145-56.** This study evaluates the potential impacts of biological nitrogen fixation (BNF) on U.S. nitrogen fertilizer demand and corn acreage. The study examined three levels of reduction in nitrogen application rates of 25, 33 and 50 percent. The basic results of their econometric model were a decrease of 18, 25 and 36 percent in nitrogen fertilizer demand and a one percent increase in acreage planted. Such a scenario would result in a significant reduction in synthetic nitrogen fertilizer consumption affecting those commercial producers most dependent on sales for corn production. In the short run, corn producers would gain. In the long run the ultimate benefits would be in lower prices to the consumer. For farmers, the end result (considering global agricultural possibilities) would include lower market prices for corn.

Halloran, John M., and Michael V. Martin. "Should States be in the Agricultural Promotion Business?" *Agribusiness: An International Journal* **5 (January 1989): 65-75.** The authors note "Departments of Agriculture in virtually every state have initiated market promotion programs aimed at enhancing their states' farm sales. However, a reasoned assessment of several possible market scenarios suggests that the prospects for such programs to be successful are limited. Problems associated with free riders, intercommodity impacts, and measurement of promotional effectiveness all must be addressed in planning and implementing these programs. This analysis supports the argument that multi-state efforts may have better prospects for significant payoff. As currently structured state level agricultural promotional programs may be justified more for political reasons than for economic ones."

Harling, Kenneth F., and Thomas F. Funk. "Competitive Strategy for Farm Supply and Grain Elevator Business." *American Journal of Agricultural Economics* **69 (December 1987): 1047-1055.** The authors use the concept of competitive strategy to identify factors that managers of farm supply and grain elevator businesses might consider as they look for ways of making their businesses more competitive in a "nature market." They define competitive strategy as "the choices the manager makes about how his business competes in a particular environment." This concept is applied using a data set of farm supply and elevator businesses for 1978 from Indiana, Illinois, Iowa and Kansas. The variables selected were in three categories: competitive strategy, context, and performance. Results suggested "strongly that successful [farm supply and elevator] businesses, as measured using return on assets, were smaller in terms of assets, diversified in terms of products and services, and had low procurement operating expenses. The authors also discuss limitations and further research needs in this area.

Harrington, David., and Thomas A Carlin. *The U.S. Farm Sector: How is it Weathering the 1980s?* **Agricultural Information Bulletin 506. Washington, DC: Economic Research Service, U.S. Department of Agriculture, 1987.** This report is based on the ninth report to Congress on family farms as required by the previous farm legislation. A summary statement for this report, "Commercial farms with gross annual sales of $40,000 or more, 28 percent of all farms, generally had positive after-tax rates of return to equity in 1985. But noncommercial farms, those with gross annual sales of less than $40,000, 72 percent of all farms, showed small after-tax losses. The farm economy has deteriorated since 1981 when farm land values began to decline. By 1984, farming households earned only about 80 percent as much as the national average, compared with their historic high in 1973 when they earned almost 50 percent more than the national average. As many as 15 percent of all farm operators who were in business before 1980 may leave farming for financial reasons before the current economic adjustments end. Rural counties and communities whose economies rely on agriculture will have trouble maintaining many services as declining farm land values shrink tax revenues."

Harvey, David. *Aquaculture Situation and Outlook Report.* **AQUA-4. Washington, DC: Economic Research Service, U.S. Department of Agriculture, March 1990.** Aquaculture may become more important as an agricultural enterprise in Illinois in the 1990's. This semi-annual situation report is the only data series on aquaculture currently published by the USDA. It reports retail and wholesale prices and input prices as available and selected research reports on aquaculture issues.

Havlicek, Joseph, Jr. "Megatrends Affecting Agriculture: Implications for Agricultural Economics." *American Journal of Agricultural Economics* **68 (Dec. 1986): 1053-64.** Havlicek, in this address at the AAEA Annual Meetings, identified major trends affecting U.S. agriculture and the importance of these trends to professionals in agricultural economics. He assesses selected impacts of these "megatrends" and what they imply for agricultural economics research, teaching and extension programs. The "megatrends" he identified are: (1) Changes in the domestic consumption of food and agricultural products--a shift from animal to plant products, (2) Macroism and internationalism--domestic and international economic interdependencies of U.S. agriculture, (3) Technological change--accelerated dynamics in an economy in transition from an industrial to an informational economy, (4) Structural change--largeness and fewness of farms and agribusiness firms, and (5) Environmentalism--concerns about resource, chemical, and pharmaceutical use by a society in transition from a representative to a participatory democracy.

Hayes, Dermot J., and Helen H. Jensen. *Generic Advertising Without Supply Control: Models and Public Policy Issues.* **Working Paper 88-WP39. Ames, IA: Center for Agricultural and Rural Development, Iowa State University, December 1988.** The authors consider several issues regarding producer-funded generic promotion schemes. This working paper covers: "First, a review of past theoretical and empirical approaches to analyzing advertising and commodity promotion highlights the inconsistencies of previous models and empirical work on government-mandated advertising. Next, a framework is established for evaluating advertising and promotion programs. This includes a review of the demand and supply issues and an extension of the Nerlove and Waugh (N-W) theoretical model for evaluating the profitability of advertising and promotion. Derived measures of the effectiveness of promotion programs show the importance to evaluation of the responsiveness of supply to price, as well as the interactions among meats within a demand system. Finally, the implications are discussed in terms of decisions required by policymakers charged with oversight responsibility for commodity promotion."

Henderson, Dennis R. "Market Structure in Agricultural Industries: An Emerging Policy Issue." In *Increasing Understanding of Public Problems and Policies-1988.* **Oak Brook, IL: Farm Foundation, January 1989.** The author discusses several agribusiness processing and marketing industries that show evidence of high and increasing concentration (higher percentage of the market controlled by fewer and larger firms). He explores the implications of concentrated markets and the potential effect on competition and concludes with a discussion of policy and regulatory options.

Hill, Lowell D., Julia P. Brophy, and Mark N. Leath. *Production, Utilization, and Marketing Patterns for Illinois Grains and Soybeans,* **Agricultural Economics Research Report 196. Urbana, IL: Department of Agricultural Economics, University of Illinois, June 1984.** Historic patterns of feed grains and soybean production and livestock consumption and projections to 1990 were described for eight regions in Illinois. The relative importance of country elevators and terminal elevators was shown. The modes of transportation for feed grains and soybeans were described in relation to destination of shipments.

Illinois Commission on Forestry Development. *Forestry in Illinois: Opportunities for Action.* **Report to Illinois General Assembly. Springfield, IL: Illinois Commission on Forestry Development, July 1986.** This document explores the status of forestry by examining problems, explaining opportunities, making recommendations and providing basic background material. It was the foundation for a series of public meetings held in the Fall of 1986. The overriding theme that emerged from the Commission's analysis is that there is an enormous, largely untapped potential for forestry in Illinois. The document supports and expands upon that theme.

Illinois Department of Agriculture. *Illinois Agricultural Statistics: Annual Summary-1989,* **Bulletin 89-1. Springfield, IL: Illinois Department of Agriculture and National Agricultural Statistics Service, August 1989.** This annual statistical summary report covers agricultural crops, livestock, dairy and poultry with acreages, numbers, yields, production costs and receipts and inventories. It also reports some statistics on floriculture, fruit and vegetables. Farm income, farm population and annual weather and climate statistics are reported. Crop, livestock and livestock product prices are reported by month and farm labor and fertilizer statistics are reported.

Illinois Department of Agriculture. *Soil and Water Conservation District Administrative Guidelines for The Illinois Conservation Practices Program (CPP) and The Illinois Watershed Land Treatment Program (WLTP) for Cost-Sharing Soil Erosion Control.* **Springfield, IL: Illinois Department of Agriculture, August 1985.** Administrative guidelines for SWCDs as they implement CPP and WLTP. This document also includes the objectives and highlights of these programs.

Illinois Department of Agriculture. *T by 2000, A State Plan for Meeting "T" or Tolerable Soil Losses in Illinois by the Year 2000.* **Springfield, IL: Division of Natural Resources, Illinois Dept. of Agriculture and USDA, Soil Conservation Service, March 1985.** This report summarizes the information on soil erosion gathered by Illinois SWCDs. It contains detailed information on the number of acres of Illinois requiring soil conservation practices, a description of the programs and strategies implemented by SWCDs, the benefits of controlling erosion, and recommendations on resource requirements for meeting "T" by 2000.

Illinois Department of Commerce and Community Affairs. *Building Illinois-A Five Year Plan-1987.* **Springfield, IL: Illinois Department of Commerce and Community Affairs, June 1987.** This report is an annual update of the State of Illinois five-year economic development strategy. The agricultural assistance programs are briefly discussed and eleven recommendations are offered relating to agriculture and agribusiness programs through the Department of Commerce and Community Affairs.

Illinois Department of Energy and Natural Resources. *An Initial Evaluation of the Impact* of Pesticides on Groundwater in Illinois: Report to the Illinois Legislature, **ISGS/ISWS Cooperative Groundwater Report 12. Springfield, IL: Illinois Department of Energy and Natural Resources, January 1990.** This report begins by noting "at present, data are insufficient to accurately determined what impact pesticides have had on groundwater quality in Illinois." However, the report contains valuable information on pesticide and nitrogen fertilizer usage, the processes of groundwater contamination and the potential vulnerability of groundwater to become contaminated. Future federal and state environmental and agricultural policies will likely lead to increased regulation of agricultural chemical and fertilizer practices. This report provides a good introduction to some of the issues, concerns and details that policy makers and regulators will consider.

Illinois Department of Energy and Natural Resources. *Current Alternative Energy Research and Development in Illinois.* **ILENR/AE-86-01 (88). Springfield, IL: Illinois Department of Energy and Natural Resources, May 1989.** This publication is an annual directory and summary of information on projects in Illinois on energy related research, development or demonstration. All projects involve nonfossil, nonnuclear energy sources. Several projects involve the use of agricultural products/byproducts.

Illinois Department of Energy and Natural Resources. *Pesticides and Pest Management: Proceedings of the 16th Annual ENR Conference.* **Springfield, IL: Illinois Department of Energy and Natural Resources, March 1988.** Contains 25 presentations from the conference covering topics in the following areas: (1) pesticide behavior, (2) health effects of pesticides, (3) pesticides and surface water, (4) pesticides and ground water, (5) disposal issues, (6) urban pesticide usage, (7) residues in food, (8) federal and state policy, (9) integrated pest management, and (10) pesticide management policy options. The presenters were from academia, industry and state and federal government agencies from the U.S.

Illinois Environmental Protection Agency. *Plan for Protecting Illinois Groundwater.* **Submitted to the Governor. Springfield, IL: Illinois EPA, January 1986.** This plan was prepared in response to Public Act 83-1268. It includes an assessment of groundwater quality, a description and assessment of current laws, strategies and groundwater programs, a list of major issues and problems, and recommendations for a groundwater protection plan for Illinois.

Illinois Environmental Protection Agency. *Agriculture and the Water Quality Management Plan, A Midcourse Review of the Soil Erosion and Sedimentation Control Component*. **Springfield, IL: Division of Water Pollution Control, Illinois EPA, May 1986.** This report is a review of the original Section 208 Water Quality Management Plan recommendations for soil erosion and sediment control. The report documents current progress and suggests recommendations for strengthening areas within the Water Quality Management Plan.

Jensen, Farrell E., and C. Arden Pope III. "The Changing Structure of U.S. Agriculture and Implications for Research in Agribusiness Firms." *Agribusiness: An International Journal* **3 (Summer 1987): 139-50.** The authors argue that structural changes in U.S. agriculture will have significant impact on investment in research and development by agribusiness firms. The structural changes discussed include: (1) greater dependence on off-farm income by farm families, (2) continued movement toward a bimodal distribution of farm size, (3) a reduction of capital expenditures by farms, (4) a greater reliance on purchased inputs, (5) increased specialization in the management function, and (6) acceleration of technological changes in agriculture and agribusiness. The authors predict that a greater amount of future research will be conducted by the private (rather than public) sector and that the public sector will have a decreasing influence on technological change and productivity on the farm.

Jeschke, Dale., Gary D. Schnitkey, and Warren F. Lee. "Geographical Lending Diversification: An Analysis of Regional Agricultural Asset Returns and Risk." *Agricultural Finance Review* **49 (1989): 64-73.** The reorganization of the Farm Credit System and creation of the Federal Agricultural Mortgage Corporation generated interest in the geographical dispersion of farm loans. Dispersion geographically and across farm enterprises is generally known to reduce lending risk but what is not known is optimal compositions of such loan pools. In this study, "Adjusted per acre net incomes for the forty-eight contiguous states were used to analyze geographic considerations related to the secondary farm mortgage market and potential mergers of Farm Credit System (FCS) districts. A portfolio model was solved to determine expected return-variance (EV) efficient frontiers for state groups and FCS districts. Unconstrained EV frontiers were more risk efficient than partially restrained portfolios based on existing debt levels. In addition it was found that risk reductions can be obtained by considering correlations of agricultural returns when merging FCS districts."

Joint Council on the Food and Agricultural Sciences. *Five-Year Plan for the Food and Agricultural Sciences: A Report to the Secretary of Agriculture.* **Washington, DC: USDA, May, 1988.** This biennial report is required by Public Law 97-98 and reflects the views and plans of agricultural research, extension and higher education institutions in the U.S. The report describes seven critical societal concerns on which these institutions should focus and identifies associated issues and challenges. The report presents specific goals and objectives for research, extension and higher education as an outline for allocating resources and addressing critical concerns and issues over the five-year planning horizon. The seven critical societal concerns identified are: (1) Restoring a Competitive and Profitable Agriculture, (2) Revitalizing Rural America, (3) Maintaining Water Quality, (4) Enhancing the Future Through Biotechnology, (5) Advancing Knowledge and Scientific Expertise in Agriculture, (6) Understanding Food, Diet and Health Relationships, and (7) Managing Germplasm and Maintaining Genetic Diversity.

Jones, John., and Charles H. Barnard. *Farm Real Estate: Historical Series Data--1950-85.* **Statistical Bulletin 738. Washington, DC: Economic Research Service, U.S. Department of Agriculture, December 1985.** This report presents data, by state, on farm numbers, land in farms, average dollar value of land and buildings, farm real estate debt and farm real estate taxes in relation to value. "This report updates data published in *Farm Real Estate Historical Series Data: 1850-1970,* ERS-520, June 1973. The data in this report are not strictly comparable with the data in ERS-520 because information on the number of farms and land in farms was drawn from different sources. The number of farms and land in farms reported in ERS-520 were from the census of agriculture, with interpolation of numbers for years between 5-year reporting periods on a straight line basis. The data on number of farms and land in farms in this report are from annual data prepared by the Statistical Reporting Service, U.S. Department of Agriculture, beginning in 1950."

Keller, Kevin R., and David E. Hahn. "Ohio Agribusiness Compensation Study: 1986." *Agribusiness: An International Journal* **4 (November 1988): 559-77.** The authors note, "Information about competitive wage and compensation packages is important to attracting and maintaining a productive work force. A 1986 survey of compensation practices of Ohio Agribusiness firms revealed that bonuses and profit-sharing plans play a more important role in determining pay level than they did in 1982. Larger firms, measured by gross annual sales, still pay more than smaller firms; but trends by geographic location are not as distinct as they were in 1982. Nonmanagerial agribusiness employees still earn less than their metropolitan counterparts, but the gap is decreasing."

King, Robert P. "Management Information Systems for Agribusiness Firms: Managerial Problems and Research Opportunities." *Agribusiness: An International Journal* **2 (Winter 1986) 455-66.** Four major themes in management information systems (MIS) research are presented: "(1) the relationship between organizational design and MIS design, (2) decision support, (3) database design and data resource management, and (4) MIS planning and management. MIS problems of agribusiness firms are described and research opportunities are presented in three areas: (1) information systems analysis and design for small firms, (2) the design and development of MIS components, and (3) markets for information products and services.

Kitchen, John., and Ralph Monaco. "Effects of Macroeconomic Policies on Agriculture." *In Agricultural-Food Policy Review: U.S. Agricultural Policies in a Changing World.* **Agricultural Economic Report no. 620. Washington, DC: Economic Research Service, U.S. Department of Agriculture, November 1989.** Examines the effect of monetary and fiscal policy on the economy in general and agriculture in particular. The author's near term expectations are that these macroeconomic policies "will aim to reduce both the Federal budget and international trade deficits." Both short and long-term effects are discussed.

Knutson, Ronald D., C. Robert Taylor, John B. Penson, and Edward G. Smith. *Economic Impacts of Reduced Chemical Use.* **College Station, Texas: Knutson & Associates, 1990.** The study reported by the authors examines outcomes for the U.S. if a ban on pesticides or agricultural chemicals were adopted. This is, as the authors recognized, an extreme case but one worth examination. It is a report worth reading, as well as a companion data base report, along with other analysis of restrictions on agricultural pesticides or agricultural chemicals. Their implications for such a ban (from the authors' executive summary): "The main implication of this study is that pursuit of reduced chemical use policy involves a number of economic, social, real, and perceived trade-offs. The issues are complex and the stakes are high. Among the major trade-offs are the following: (1) Perceived and/or real environmental concerns vs. the potential for significant economic impacts on the U.S. economy and the food and fiber industry (e.g., increased costs, reduced competitiveness, increased risk), (2) Protectionist policies spawned by reduced competitiveness vs. an open trade policy, (3) Higher production costs for U.S. farmers forced to reduce chemical use vs. greater chemical use abroad as other countries increase production to take advantage of higher U.S. crop prices and reduced U.S. exports, (4) Low food cost vs. increased food costs impacting on the poor, (5) Increased soil erosion vs. reduced chemical use, (6) Crop vs. livestock producers, (7) Cold regions less favorable to the growth of pests vs. warm and humid regions. The existence of these trade-offs suggests a need for more information before making further policy decisions regarding chemical use reduction."

Kohls, Richard L., and Joseph N. Uhl. *Marketing of Agricultural Products.* **7th ed. New York: Macmillan Publishing Company, 1990.** This textbook is recommended reading for anyone interested in the institutional organization and functioning of the agricultural products and food marketing systems. Its twenty-nine chapters are organized under six major areas: (1) the marketing problem, (2) food markets and institutions, (3) prices and marketing costs, (4) functional and organizational issues, (5) government and food marketing, and (6) commodity marketing.

Kraybill, David S., and Thomas G. Johnson. "Value-added Activities as a Rural Development Strategy." *Southern Journal of Agricultural Economics* **21 (July 1989): 27-36.** The author focuses on value-added programs as a means of providing a new employment in rural areas or creating additional demand for agricultural products. He examines the types of value-added activities that are workable and the relationship between entrepreneurship and regional economic growth. He gives examples of effective value-added development activities and includes an Illinois example. He concludes with a list of the attributes of a value-added program that would meet a broader set of rural development objectives than existing business development programs.

Lambert, Charles D., Paul L. Kelley, and Barry L. Flinchbaugh. "Farm Operator Characteristics: Implications for Policy." *North Central Journal of Agricultural Economics* **11 (July, 1989): 265-76.** The authors criticize the current popular practice of identifying the current (or future) farm population as being bimodal, that is, tending towards two ends of the spectrum with regard to annual gross sales. The conclude the multi-dimensional specification of current and emerging farm structure is essential in better determination of the impacts of public or private programs targeted at the farm operator level. Nine economic and demographic characteristics of a sample of Kansas farmers were examined relative to annual gross sales: farm type, acres farmed, age of operator, percent of land owned, level of education, location, off-farm income, government program participation and farm organization membership. The authors conclude that problems exist in using only annual gross sales to describe farm structure. There are implications important to public policy, education and research programs of land grant universities, future roles of other public agencies, and services offered by farm organizations.

Langley, Suchado., and Harry Baumes. "Evolution of U.S. Agricultural Policy in the 1980's." In *Agricultural-Food Policy Review: U.S. Agricultural Policies in a Changing World.* **Agricultural Economic Report no. 620. Washington, DC: Economic Research Service, U.S. Department of Agriculture, Nov. 1989.** Describes the economic situation, major farm policy events and issues of the 1980's. The authors assert "The debate that will precede the development and adoption of new legislation in 1990 will be influenced by the events and recent issues of the 1980's." They review the decade of the 1980's and suggest the debate on 1990 farm legislation will be affected by (1) agricultural trade liberalization under the GATT, (2) U.S. budget and trade deficits, (3) 1989-90 weather, (4) policy objectives and philosophies of the Bush administration, (5) the membership of Congress, and (6) national and global economic conditions.

Leatham, David J., and John A. Hopkin. "Transition in Agriculture: A Strategic Assessment of Agriculture and Banking." *Agribusiness: An International Journal* **4 (March 1988): 157-65.** This article presents an overview and summary of key findings drawn from two publications of the American Bankers Association: *Transition in Agriculture: A Strategic Assessment of Agriculture and Banking, Research Report* and *Transition in Agriculture: A Strategic Assessment of Agriculture and Banking, Strategic Planning Guide,* 1986. "The American Bankers Association (ABA) initiated an assessment of the role of banks in providing credit and other financial services to the farm sector. The study reviews the trends in banking: projects the future economic conditions in agriculture; provides an assessment of the existing agricultural credit delivery system; and addresses the credit and banking policy changes needed to strengthen the ability of banks to serve the changing financial needs of agriculture. The findings of this study are summarized in this article."

Leuthold, Raymond M., Joan Junkus, and Jean Cordier. *The Theory and Practice of Futures Markets.* **Lexington, MA: Lexington Books, 1989.** This textbook covers agricultural commodity futures markets and financial futures markets. It presents supporting theory and practical examples throughout. While the targeted market for this textbook is the college level student, it should be useful to others in gaining an understanding of the history of the futures exchanges, their regulation and their mechanics of operation. The futures markets play an important role in the marketing of agricultural products.

Lins, David A., Paul N. Ellinger, and Dale H. Lattz. "Measurement of Financial Stress in Agriculture." *Agricultural Finance Review* **47 (1987): 53-61.** The data used in the analysis reported in this article were taken from a subsample of 474 cash grain farms in Illinois that participated in the Farm Business Farm Management record keeping system. The farms selected had a complete balance sheet and an accrual-based net farm income statement for 1985. "Classification of farms by degree of financial stress has been widely used to judge the severity of the "financial crisis" in agriculture. Single classification criterion, such as the debt-to-asset ratio, however, do not adequately reflect the financial position of farm firms. Multiple classification criteria have often used a cash-based measure of income along with the debt-to-asset ratio to measure financial stress. This study shows that cash-based measures of income can lead to serious classification errors when compared with accrual-based measurement of income."

Little, Randall D., and Lyle P. Fettig. "Replacement of Taxes on Farm and Residential Property by Increasing the State Income Tax in Illinois: A Simulation." *North Central Journal of Agricultural Economics* **11 (January 1989): 83-92.** Property taxation has been a bone of contention since its first use. It has been a subject of policy debate for the agricultural sector. This paper examines substituting income tax revenue for property tax revenue, 1974-81, in a macro level simulation model with aggregated county level data. The simulation found that 8 of 10 deciles of counties would have lower per capita taxes, with the high and low per capita income deciles benefiting the most. They found that metropolitan counties would have higher per capita taxes and non-metropolitan counties lower per capita taxes. Most importantly, politically, Cook and Dupage counties would experience higher per capita tax burdens.

Litzenberg, Kerry K., and Vernon E. Schneider. "A Review of Past Agribusiness Management Research." *Agribusiness: An International Journal* **2 (Winter 1986): 397-409.** Presents a review of agribusiness management research since World War II and the authors' judgement of relative emphasis in eight subcategories: (1) production and operations management and control, (2) financial analysis, (3) organizational structure, (4) marketing management, (5) human resource planning and development, (6) business performance evaluation, (7) management information systems, and (8) ownership and control. The research activities are reported for four time periods; 1945-55, 1956-1969, 1970-1981 and 1982-present (1986). The authors discuss barriers to agribusiness research and ways to overcome them.

Litzenberg, Kerry K., and Vernon E. Schneider. "Educational Priorities for Tomorrow's Agribusiness Leaders." *Agribusiness: An International Journal* **4 (March 1988): 187-95.** "This article present the results of **AGRI-MASS**, a national survey of agribusiness managers. This project was designed to rank order 74 personal and professional characteristics required for successful careers in agribusiness. The authors discuss the role of Universities and the international priorities for developing successful careers in agribusiness management. The role of agribusiness industry and government in developing effective agribusiness programs is also discussed." The highest ranked characteristics looked for by respondents were self-motivation, positive work attitude, high moral/ethical standards, work with others/team player, listen and carry out instructions, work without supervision, self-confident, giving clear and concise instructions, loyalty to organization and provide leadership. Those were the top 10 out of 74 characteristics.

Lowenberg-DeBoer, J., Allen M. Featherstone, and David J. Leatham. "Nonfarm Equity Capital Financing of Production Agriculture." *Agricultural Finance Review* **49 (1989): 92-104.** The sources of equity capital, its costs and its impact on management are of significant interest to farmers, farm owners and lenders. Nonfarm equity capital is examined in this article. "The continued, high real cost of debt and the uncertain future of government programs have increased the attractiveness of financing farm businesses with equity from nonfarm sources. However, the transactions cost and distortion of management incentives in equity sharing arrangements create doubts about the economic viability of such investments. The benefits and costs of alternative equity arrangements are not well documented. This manuscript reviews the base of knowledge dealing with nonfarm equity use in agriculture and suggests future research needs. Researchable topics include: feasible institutions, transactions costs, liquidity, diversification, principal agent problem, monitoring costs, nonprice considerations, and rights of farm tenants."

MacDonald, James M. "The Microdynamics of Structural Change: Patterns of Merger and Diversification Activity Among Food Manufacturers." *Agribusiness: An International Journal* **4 (March 1988): 143-56.** "Large food manufacturers grew rapidly between 1976 and 1982, both by increasing their share of food manufacturing and by expanding into services. Diversification into new industries accounted for more than half of that growth. Much of the new diversification was directed toward related industries, such as foodservice, other food manufacturing industries, or several agricultural sectors. Diversification is usually carried out through merger, and between 1977 and 1986 acquisitions and divestitures led to ownership changes at establishments employing over 40% of the food manufacturing employees of the 500 largest food firms. These conclusions are drawn from analysis of a highly detailed dataset based on individual establishment records." That dataset, the USEEM (U.S. Establishment and Enterprise Microdata) file was developed by the U.S. Small Business Administration. The subset of data used for this study consisted of all establishments of all firms in food and tobacco manufacturing for 1976 and 1982.

Marion, Bruce W. "Interrelationships of Market Structure, Competitive Behavior, and Market/Firm Performance: The State of Knowledge and Some Research Opportunities." *Agribusiness: An International Journal 2 (Winter 1986) 443-53.* This article summarizes the state of knowledge in industrial organization theory, several related key issues under dispute and suggested areas of research having public and private interests. It suggests that the orthodox theory of industrial organization and the theory of strategic groups hold the greatest potential for increased understanding of the competitive behavior of firms and the performance of markets and industries.

Marion, Bruce W., and Robert L. Wills. "A Prospective Assessment of the Impacts of Bovine Somatotropin: A Case Study of Wisconsin." *American Journal of Agricultural Economics* **72 (May 1990): 326-36.** Biotechnological improvements in agricultural enterprises are heralded by many as producing win-win situations for farmers and consumers. If the results of this case study are true, such may not always be the case. This study uses farm level simulations to ascertain the impacts of adoption of bovine somatotropin (bst) by Wisconsin dairy farms. The authors note that results are sensitive to the values of variables which may plausibly vary over a wide range. This study, unlike previous studies concludes that non-adopting farmers will suffer a decline in net income and the adopting farmers will maintain their net income levels under current dairy support policies. Consumers would benefit from lower milk prices. The authors believe their assumptions are more realistic than previous studies but recognize that greater emphasis on sensitivity analysis is warranted.

Marshall, William E. "Overview on the Need for Structural Reform in Agricultural Research." In *Reform and Innovation of Science and Education: Planning for the 1990 Farm Bill.* **Com. Print, 101th Congress, 1st Session. Washington, DC: U.S. Government Printing Office, December 1989.** Marshall, President of the Microbial Genetics Division of Pioneer Hi-Bred International, proposes adding four new objectives to the traditional objectives of the agricultural research community and proposes structural changes in the federal and state components of that system. He suggests that, without change, the scientific knowledge base for new agricultural research will continue to erode from the agricultural research organizations. The four new objectives proposes are: (1) lower cost inputs to help improve our competitiveness in world markets, (2) input technologies and management techniques to at least maintain if not regenerate the environment, (3) new crops and technologies to help replace fossil fuels as primary sources of energy, and (4) research programs for products, processes and techniques that are socially acceptable to the short and long-term needs of rural and urban Americans.

McLaughlin, Edward W., and Gerald F. Hawkes. "Twenty Years of Change in the Structure, Costs, and Financial Performance of Food Chains." *Agribusiness: An International Journal* **2**

(Spring 1986): 103-118. Food chains represent the largest single contributor to gross national product of any subsector in agribusiness and therefore is an important component of the food system. The authors report; "The cost and performance dimensions of the food retailing industry have undergone considerable change over the past two decades. Changing consumers, new technology, and intensified competition are among the factors shaping a new food retailing environment. As consumers exhibit greater preference for labor intensive service departments, for example, labor expanses, payroll as well as benefits have continued to grow as a percent of sales. It is chiefly this phenomenon that has been responsible for food chain operating costs increasing at a relatively greater rate than gross margins. The net performance result is that food chain profitability, however defined, has declined."

Meyers, William H. *Future Challenges in Agricultural Export Marketing.* **Working Paper 87-WP21. Ames, IA: Center for Agricultural and Rural Development, Iowa State University, June 1987.** The author identifies factors contributing to changes in U.S. agricultural export markets in the 1970's and 1980's. Then, regarding the future, identifies three "key" policy areas "in which progress will need to be made for the greatest market development to take place: improving economic development and income growth rates in developing countries, reducing the debt service problems of developing countries, and reducing the domestic and trade policy barriers in both developed and developing countries. Aggressive and competitive marketing strategies are recommended, including use of bilateral agreements, market intelligence, and product discrimination, where possible."

Meyers, William H., and Patrick C. Westhoff. *Commodity Program Reform and the Structure of U.S. Agriculture.* **Working Paper 89-WP44. Ames, IA: Center for Agricultural and Rural Development, Iowa State University, July 1989.** This paper focuses attention on changes in federal commodity programs and does not address the broader range of other issues affecting agriculture such as taxation, credit and research policies and programs. The authors note "Current agricultural commodity programs affect the structure of U.S. agriculture in a variety of ways. An informal survey of participants in a conference concerning the structure of agriculture indicates a weak consensus among professionals that current programs increase the number of farms, result in more specialization, and encourage land ownership by operators. Analysis by the Food and Agricultural Policy Research institute (FAPRI) indicates that the elimination of current farm programs would reduce net farm income dramatically, especially in the short run. The negative effects on farm income are estimated to be smaller if other countries also eliminate their agricultural subsidy programs."

Morehart, Mitchell J., Elizabeth G. Nielson, and James D. Johnson. *Development and Use of Financial Ratios for the Evaluation of Farm Businesses.* **Technical Bulletin 1753. Washington, DC: Economic Research Service, U.S. Department of Agriculture, October 1988.** This is a national based study examining financial ratio analysis and relationships other farm characteristics. "This report develops a series of financial ratios that can be used in monitoring and comparing the financial performance of U.S. farm businesses. Ratio analysis shows the relationships between financial performance elements (solvency, liquidity and coverage, efficiency, and profitability) and various farm characteristics (such as farm size, production specialty, and production region). ratio analysis can give farmers, lenders, investors, analysts, and policymakers a more complete perspective on the performance of a farm or group of farms and may help identify actions to modify the performance. This study uses data from the 1986 Farm Costs and Returns Survey to develop and investigate financial ratios for the four performance elements and their relationships to certain farm characteristics."

Morehart, Mitchell J., James D. Johnson, and David E. Banker. *Financial Characteristics of U.S. Farms, January 1, 1989.* **Agriculture Information Bulletin 579. Washington, DC: Economic Research Service, U.S. Department of Agriculture, December 1989.** This serial bulletin reports analysis based on Farm Costs and Returns Survey (FCRS) data. It contains over 120 pages of data and analysis and discussion of farm income, farm assets and debts, financial performance analysis, farm operator rates of return and lender portfolio perspective. The bulletin reports, among other observations, "Despite the 1988 drought, the overall financial conditions of farmers and ranchers remained similar to those in 1987. On average, net farm income (profitability) and net cash farm income rose slightly, but fewer farms had positive incomes. More farms had no outstanding liabilities, and fewer farms had debt/asset ratios (solvency) above 0.40. This report provides a detailed analysis of farm financial performance based on the latest information from the FCRS."

National Research Council. *Agricultural Biotechnology: Strategies for National Competitiveness.* **Washington, DC: National Academy Press, 1987.** This report, initiated by the Board on Agriculture, represents the collaborative work of the members of the Committee on a National Strategy for Biotechnology in Agriculture in assessing the agricultural research system's response to biotechnological developments and future opportunities within that system. This report describes the scientific opportunities for increased application of the tools of biotechnology in agricultural research. It examines the roles of government (federal and state) and private funding of biotechnology research, the education and training required to enhance biotechnology research and issues concerning the importance of institutional involvement in technology transfer. This report contains recommendations for a strategy to use biotechnology to improve the competitiveness of U.S. agriculture. It is important reading for both biological scientists and economists interested in the food and fiber system's future.

National Research Council. *Investing in Research: A Proposal to Strengthen the Agricultural, Food, and Environmental System.* **Washington, DC: National Academy Press, 1989.** This report suggests that U.S. agriculture is facing new and complex challenges: (1) responding to aggressive competition on a global scale, (2) ensuring good nutrition and a high-quality food supply, (3) safeguarding our natural resources, and (4) enhancing our environment. This report proposes major new funding ($500 million) of competitive grant research programs in a broadly defined agriculture. The proposal identifies the major program areas of: (1) plant systems, (2) animal systems, (3) nutrition, food, quality, and health, (4) natural resources and the environment, (5) engineering, products, and processes, and (6) markets, trade, and policy. It defines agriculture as "the entirety of the system that grows and processes food and fiber for the nation."

National Science Foundation. *Profiles--Agricultural Sciences: Human Resources and Funding,* **NSF 89-319. Washington, DC: National Science Foundation, 1989.** This report provides current and historical information on people, education and funding for agricultural sciences in the United States. In 1986, 11,300 graduate students were enrolled in agricultural sciences. Approximately one-quarter were women and twenty-seven percent were non-U.S. students. The U.S. Department of Agriculture provided ninety-eight percent of federal funding for basic research and sixty-eight percent of federal funding for applied research in agricultural science fields. Future agricultural scientists will need skills and knowledge from outside the traditional agricultural disciplines.

Nicholas, Robert B. "Agricultural Biotechnology--An Overview of Issues Facing Policymakers." In *Reform and Innovation of Science and Education: Planning for the 1990 Farm Bill.* **Com. Print, 101th Congress, 1st Session, Washington, DC: U.S. Government Printing Office, December 1989.** The author identifies what he believes are the relevant public policy questions concerning the application of biotechnology to agricultural enterprises and summarizes other papers on that topic presented in this committee print. The major public policy issues he identifies are: (1) developing a consensus on the goals to guide public involvement (funding) of biotechnology in agriculture, (2) developing a better public institutional framework for technology assessment, (3) continue to improve the regulatory regime for biotechnological developments, evaluation, assessment, and introduction, and (4) expand and upgrade the information made available to farmers, consumers and the public for more informed decision making.

North Central Regional Center for Rural Development. *Interdependencies of Agriculture and Rural Communities in the Twenty-first Century: The North Central Region,* **eds. Peter F. Korsching and Judith Gildner. Ames, IA: Iowa State University, 1986.** This collection of papers was selected from presentations at a conference sponsored by the North Central Regional Center for Rural Development. These papers provide background information on the interdependencies of agriculture and rural communities and trends in those relationships. The papers also provide insight into issues such as the impacts of agricultural development on agriculture, implications of the changes and trends and policy recommendations for rural areas.

Nothdurft, William E. *State Innovations in Agricultural Policymaking.* **Washington, DC: Council of State Planning Agencies, 1985.** This paper documents a wide range of state initiatives in pursuing "homegrown" programs and policies to assert greater influence on the farm economy. State efforts tend to focus on four areas: (1) short and long-term financing, (2) marketing and market development, (3) farm community preservation, and (4) farm land, soil and water conservation. Apart from noting obvious strengths and weaknesses, this paper does not examine closely either the effectiveness and efficiency with which the programs address the problems they were designed to solve or their likely effects on the structure, sustainability or profitability of agriculture.

Pagoulatos, Angelos., David L. Debertin, and Fachurrozi Sjarkowi. "Soil Erosion, Intertemporal Profit, and The Soil Conservation Decision." *Southern Journal of Agricultural Economics* **21 (December 1989): 55-62.** The empirical results of this study are not of great interest in Illinois since the data used were from a Western Kentucky corn production area. However, the methodology may be very appropriate for conducting similar studies for row crop production areas of Illinois. The authors developed an intertemporal profit function to determine optimal conservation adoption strategies with alternative crop prices, relative yields, discount rates, and other variables. This approach could be valuable in estimating when farmers are most likely to switch to conservation practices and at what level of the key variables that would occur. Empirical data is needed to employ this model. Successful application could provide valuable information for policy decisions regarding soil conservation.

Patrick, George F., and Ananth S. Rao. "Crop Insurance's Role in Risk Management on Hog-Crop Farms." *North Central Journal of Agricultural Economics* **11 (January 1989): 1-10.** This ia an insightful paper the role of multiple peril crop insurance (MPCI) on central Indiana hog and crop farms under scenarios of alternative debt/asset ratios, government deficiency payment programs, and levels of off-farm income and yield variability. They utilized the whole-farm, recursive simulation model, FLIPSIM. The results are of interest to farmers and policy makers. The results indicate that MPCI may reduce the probability of financial survival of high-debt farms. The authors report that results indicate "If economic conditions and cash flows in agriculture improve, it is anticipated that MPCI would be used primarily to provide liquidity as part of a risk management strategy by farmers undertaking investments with inadequate credit reserves.

Putnam, Judith Jones. *Food Consumption, Prices, and Expenditures: 1966-87.* **Statistical Bulletin 773. Washington, DC: Economic Research Service, U.S. Department of Agriculture, January 1989.** The U.S. food supply statistics on which this bulletin is based represent the only source of time series data on food and nutrient availability for this country. The author provides a description of the methods used in assembling this data. "This bulletin revises and updates through 1987 the data published in *Food Consumption, Prices, and Expenditures, 1985,* Statistical Bulletin-749, issued in January 1987. It presents historical data on per capital consumption of major food commodities in the United States, including the basic data on supplies and disposition from which consumption estimates are derived. In addition, information concerning population, income, prices, and expenditures related to food consumption through the period covered by the quantity data has been assembled to meet the need for a comprehensive and convenient source of data for people doing statistical and economic analysis in the field of food consumption."

Reddy, Vankateshwar K., and Jill L. Findeis. "Determinants of Off-Farm Labor Force Participation: Implications for Low Income Farm Families." *North Central Journal of Agricultural Economics* **10 (January, 1988): 91-102.** The authors use Current Population Survey (CPS) data for 1978 and 1984 and off farm labor participation models for U.S. farm operators and spouses. "Members of low income farm families are less likely to work off-farm. Participation in off-farm work among older farm families is constrained by the farm operator's education and the ages of both spouses. Among younger farm families, the presence of young children and regional location represent important constraints." ". . . the effectiveness of rural development efforts designed to aid farm families in distress will depend not only on successful job creation, expansion, and retention efforts, but also on the types of jobs available and on the skill levels and willingness of farm family members to participate.

Reid, Donald W., Wesley N. Musser, and Robert S. Glover. "Using Breakeven Methods to Assess Financial Feasibility in Food Processing Firms: A Case Study in Pecan Shelling." *Agribusiness: An International Journal* **2 (Fall 1986): 359-73.** This article reports on the development and application of modified linear and nonlinear cash breakeven analysis in assessing various sources of profitability or cash flow for a firm. It is especially applicable to food processing firms which face varying commodity and product prices. The techniques developed in this work allow the extension of breakeven modeling to account for the volume and margin effects arising from changes in aggregate production of a raw commodity. This model may be useful in similar analysis for other agribusiness firms.

Resources for the Future. *The Political Economy of U.S. Agriculture: Challenges For The 1990s,* **ed. Carol S. Kramer. Washington, DC: National Center for Food and Agricultural Policy, Resources for the Future, 1989.** This annual policy review contains the views of authors having different perspectives on the issues and experience in the policy making arena. It meets the publisher's objective in increasing one's understanding of the debate over and issues in developing agricultural policy. It centers on the changing political economy of policy affecting the U.S. food and agricultural system. This text closes with six major themes raised by the authors: (1) explaining policy change, (2) who will make agricultural policy?, (3) the nature and role of policy analysis, (4) the role of the media, (5) the policy challenge of new technology, and (6) international dimensions of agricultural policy.

Resources for the Future. *U.S. Agriculture In A Global Setting: An Agenda For The Future,* **ed. M. Ann Tuteviler. Washington, DC: National Center for Food and Agricultural Policy, Resources for the Future, 1988.** This annual policy review from Resources for the Future (RFF) was written by RFF staff. It covers the setting in which agricultural policy decisions were made, including the values and goals underlying U.S. agricultural policies, the international setting, the domestic economy and political setting, and the environmental and technological setting. This text closes with an examination of the issues raised by the new setting for agricultural policy, and recommendations for developing a policy agenda for the future.

Roberts, Tanya., and Eileen van Ravenswaay. "Effects of New Scientific Knowledge on Food Safety Policy." In *Agricultural-Food Policy Review: U.S. Agricultural Policies in a Changing World.* **Agricultural Economic Report no. 620. Washington, DC: Economic Research Service, U.S. Department of Agriculture, November 1989.** Recent changes in biochemistry and toxicology have improved our ability to detect ever smaller amounts of potential food hazards and assess long-term health consequences. These changes could trigger legal regulatory restrictions. These and other improvements in detection and analysis present the challenge of incorporating this new information into food safety policies both domestically and internationally. Microbial contamination and animal drug residues are reviewed and policy research needs are identified. Contains current reference list.

Rogers, Richard T. "The Relationship Between Market Structure and Price-Cost Margins in U.S. Food Manufacturing, 1954 to 1977." *Agribusiness: An International Journal* **3 (Summer 1987): 242-52.** This article reports a study examining the influence of market structure on price cost margins over a 23-year period for 50 national food and tobacco product classes in manufacturing. The author used what he described as a basic structure--profits model which was estimated by ordinary least squares for each census data year. The results may be of interest to a state like Illinois which has significant food manufacturing (processing) firms. The findings, according to Rogers, "support the view that the U.S. food and manufacturing sector is less affected by business cycles than other manufacturing sectors. The results indicate that in food and tobacco manufacturing, the influence of market concentration on profits does not disappear [during] inflationary period. . ."

Rogers, Richard T., and Julie A. Caswell. "Strategic Management and the Internal Organization of Food Marketing Firms." *Agribusiness: An International Journal* **4 (January 1988): 4-10.** The authors call for economists to increase involvement in agribusiness research issues of strategic management and internal organization." "Neoclassical and industrial organization economics have traditionally treated firm internal operations as a black box linking market structure to market performance. This approach is inadequate in our modern food distribution system where large firms shape markets as they are shaped by them. Given the importance of firm behavior to firm and market performance, major research is needed to develop a micro-microeconomic theory of the firm. Research on strategic choice by firms and their use of internal organization to implement those choices is a promising approach to developing this new theory."

Runge, E.C.A., L.E. Tyler, and S.G. Carmer. *Soil Type Acreages for Illinois.* **USDA Bulletin 735. Urbana, IL: University of Illinois College of Agriculture, Agricultural Experiment Station in Cooperation with Soil Conservation Service, U.S. Department of Agriculture, November 1969.** This publication reports the estimated acreage of each soil type in Illinois, for the state as a whole and for each county. The data would be useful to individuals working on problems associated with specific soil types and to county and state agencies concerned with agricultural and nonagricultural land use in their program planning and decision making.

Sarhan, M.E., and William Albanos. "The U.S. Meat Industry: Components, Wholesale Pricing and Market Reporting." *Agricultural Economics Research Report.* **Urbana, IL: Department of Agricultural Economics, University of Illinois, October 1985.** This report provides information on the components, pricing and market reporting methods in the wholesale meat industry. Historical information as well as current issues and alternatives are presented. Topics include structural characteristics of meat packers and how this structure is changing, segments of the meat packing industry (slaughterers and nonslaughterers and how they process and package meat), pricing methods, price sources for formula trading, the price negotiation process, and wholesale meat market reporting.

Schroeder, Roger., Andrew Van de Ven, Gary Scudder, and Douglas Polley. "Managing Innovation and Change Processes: Findings from the Minnesota Innovation Research Program." *Agribusiness: An International Journal* **2 (Winter 1986) 501-23.** An excellent article for those interested in an introduction to innovation process models and a description of how seven innovations developed over time. A conceptual overview of current innovation process models is provided and the findings of a major longitudinal research program, the Minnesota Innovation research Program are presented. The findings of that research project are presented as six observations summarizing the key characteristics of the observed innovation process: shocks, proliferation, setbacks and surprises, degree of linking old and new, restructuring, and hands-on top management.

Scott, John T. Jr. *Lease Shares and Farm Returns 1987,* **Agricultural Economics Research Report 205. Urbana, IL: Department of Agricultural Economics, University of Illinois, December 1988.** This analysis is based on data from a subset of farms from the Illinois Farm Business Farm Management Association for 1987. This report is the thirty-sixth annual report in the series of landowner-farm operator reports. The report documents the lessor's and lessee's shares of investment, production costs and production receipts. This information is of value to landowners (farmers and non-farmers) and farm operators (owners and tenants) as well as to farm credit institutions.

Senauer, Benjamin. "Major Consumer Trends Affecting The U.S. Food System." *Choices: The Magazine of Food, Farm, and Resource Issues* **(Fourth Quarter, 1989): 18-21.** The author essentially presents the case for farmers to become more consumer rather than product oriented in light of major consumer trends." "The U.S. population is aging, growing more slowly, residing in smaller households, moving regionally, and the ethnic mix is shifting. More women are in the

BEST COPY AVAILABLE

labor force, eating patterns are shifting, and food safety and health concerns are increasing. These trends are having a dramatic effect on consumers' food demands, with major implications for food retailers, distributors, processors, and ultimately, farmers." These and other trends are causing changes in food retailing, processing packaging and advertising--which will impact on farm producers. This article is based on the first chapter of a book the author is writing together with Jean Kinsey and Elaine Asp. The book, *The Consumer-Driven Food Market,* will be available in 1991 from Eagan Press of St. Paul, Minnesota.

Setia, Parveen P., and C. Tim Osborn, "Targeting Soil Conservation Incentive Payments." *North Central Journal of Agricultural Economics* **11 (January 1989): 95-103.** Under current voluntary adoption approaches to cost share or required conservation practices the total government subsidies would be higher than under a program targeting soils most needing the conservation practices. The authors employed USDA's Erosion Productivity Economics Model and data generated by Erosion Productivity Impact Calculator/Erosion Productivity Impact Simulator. They demonstrated their analytical approach by using data from an area covering 14,330 square miles in southern Iowa and northern Missouri. They believe this program would save federal funds if used in the current Conservation Reserve Program (CRP) by prioritizing the acceptance of land offered for retirement and the maximum amount of annual rent to be paid to minimize government cost.

Sonka, Steven T., Robert H. Hornbaker, and Michael Hudson. "Managerial Performance and Income Variability for a Sample of Illinois Cash Grain Producers." *North Central Journal of Agricultural Economics* **11 (January 1989): 39-47.** An insightful article examining potentially exploratory factors for differences and variability over time in managerial ability as measured by management returns per acre. The authors used a relatively homogeneous set of farm level data from the Illinois FB FM records. They found results of interest to farmers and policymakers and suggested further work is needed to 'better understand the variation across farms and intertemporally for farms in managerial performance. They found that farm size and cropping pattern were not major factors in explaining performance differences.

Sonka, Steven T., Steven L. Hofing, and Stanley A. Changnon, Jr. "Evaluating Information as a Strategic Resource: An Illustration for Climate Information." *Agribusiness: An International Journal* **4 (September 1988): 475-91.** The authors describe strategic resources and especially information as a strategic resource. A study of the strategic usefulness of climate information for a seed corn producer is utilized to illustrate. They describe and demonstrate the combination of decision experiments and simulation as a means for *ex ante* evaluation. This is a well organized, thoughtful article which will encourage interested readers to examine the potential value of various sources of information to their firms. It also raises a number of issues for further research in the development, implementation and evaluation of information as a strategic resource in agribusiness firms and institutions.

Sporleder, Thomas L. "Agribusiness Marketing Research in a Transition World Economy." *Agribusiness: An International Journal* **2 (Winter 1986) 431-42.** Biotechnology and international competitiveness are identified as two overall priority areas of research in markets and the delivery system. Ten priority areas of marketing research are identified as being important to agribusiness. Also identified as important is better understanding of vertical linkages within the delivery system, especially the role of cash markets and performance of risk management strategies.

Task Force on Agricultural and Community Viability (The). *Agriculture and Rural Viability.* **ed. Ronald C. Wimberley. Raleigh, NC: North Carolina State University, Agricultural Research Service, 1988.** This task force was established by the Experiment Station Committee on Organization and Policy (ESCOP) to identify a research agenda for developing information necessary for developing public policies for the viability and support of agriculture and rural communities. The report identifies three broad research program areas as well as the linkage to extension, the inter-agency support and the resources required for implementing the reports recommendations. Strong emphasis is placed on the linkages and interdependencies of agriculture, the rural economy, the rural community and the people or families living in rural communities.

Trapp, James N. "The Dawning of the Age of Dynamic Theory: Its Implications for Agricultural Economics Research and Teaching." *Southern Journal of Agricultural Economics* **21 (July 1989): 1-11.** Trapp, in his presidential address reported in this article, challenges the agricultural economics profession to educate themselves and adopt dynamic theory. He notes that the "concepts" learned with the traditional static production theory are still important; however, the most advanced research now utilizes dynamic models of processes or simulation models and optimal control theory to optimize these models. He provides a review of the concepts of optimal control theory and the evolution of dynamic theory in agricultural economics. He sees three major challenges: (1) multi-disciplinary interaction to obtain the required knowledge and data, (2) becoming more analytically tractable economists, and (3) teaching the new generation of agricultural economists.

Tweeten, Luther. *Farm Policy Analysis.* **Boulder, CO: Westview Press, 1989.** This text draws together the results of studies done over the last quarter of a century by many scholars and presents interpretations in a useful and even-handed way. It covers many issues: farm structure, rural values and beliefs, chronic low returns to farming, macroeconomic linkages, foreign trade, the efficiency of U.S. agribusiness, environmental concerns, rural poverty, food safety, and rural development. It provides historic background on agricultural programs. The author has provided a wealth of information that should be valuable to those seeking a better understanding of problems, issues and policies in agriculture.

United States Congress, Office of Technology Assessment. *Agricultural Research and Technology Transfer Policies for the 1990's: A Special Report of OTA's Assessment on Emerging Agricultural Technology: Issues for the 1990's.* **OTA-F-448 Washington, DC: U.S. Government Printing Office, March 1990.** Report, prepared for the Senate Agriculture, Nutrition, and Forestry Committee and the House Agriculture Committee, examining Federal funding and planning for agricultural research and extension. Assesses Federal agricultural research and technology transfer policies, presents alternative policies for research and technology transfer, and suggests organizational structures to oversee programs.

United States Congress, Office of Technology Ass ent. *Enhancing the Quality of Grain for International Trade.* **OTA-F-399. Washington, DC overnment Printing Office, February 1989.** Two Illinoisans were on the OTA adviso el for this report and Lowell D. Hill, agricultural economist from the University of Illinois, was a major contributor. The importance of grain quality in international trade was the issue that led to this and its companion report. From the Forward of this report: "During debate on the Food Security Act of 1985, the issue of the quality of U.S. grain was again raised. It became apparent that insufficient information was available to make wise decisions. Congress then amended the act and directed the Office of Technology Assessment to conduct a comprehensive study of the technologies, institutions, and policies that affect U.S. grain quality and to prepare a comparative analysis of the grain quality systems of major export competitors of the United States. The study was also requested by the House Committee on Agriculture and the Joint Economic Committee. This report is one of two in that assessment. It focuses on the U.S. grain system and possible changes within that system to enhance grain quality. A second report, *Grain Quality in International Trade: A Comparison of Major U.S. competitors,* provides OTA's analysis of the grain quality systems of other major exporters."

United States Congress, Office of Technology Assessment. *Enhancing the Quality of U.S. Grain for International Trade: Volume II, Part B (1st Session): Technologies Affecting Quality, Background Papers.* **Washington, DC: U.S. Government Printing Office, August 1989.** This section contains six reports on technologies and Section 2 contains five reports. Continuation of a series of contractor documents prepared in connection with OTA reports on the quality of grain in international trade and the importance of quality as a competitive factor. Reports review effects of agricultural equipment technologies on grain quality.

United States Congress, Office of Technology Assessment. *Enhancing the Quality of U.S. Grain for International Trade. Volume II, Part C: Economics and Institutional Factors and Grain Quality, Background Papers.* **Washington, DC: U.S. Government Printing Office, August 1989.** Continuation of a series of contractor documents prepared in connection with OTA reports on the quality of grain in international trade and the importance of quality as a competitive factor. Includes the following papers: (1) Analysis of Demand for Wheat Quality Characteristics, (2) Farm Programs and Grain Quality, (3) Effect of Domestic Regulatory Policies on U.S. Grain Technology and Quality, and (4) Analysis of the U.S. Grain Standards.

United States Congress, Office of Technology Assessment. *Grain Quality in International Trade: A Comparison of Major U.S. Competitors.* **OTA-F-402. Washington, DC: U.S. Government Printing Office, February 1989.** (See reference to companion report mentioned below) From the Forward of this report: "This report is one of two that the Office of Technology Assessment completed in an assessment of the issues in grain quality of Congress. The first, *Enhancing the Quality of U.S. Grain in International Trade,* focuses on the U.S. grain system and possible changes within that system to enhance grain quality. To consider this issue fully, it is important to understand the grain systems of major competitors, a subject covered in this report." Further, "Little published information is generally available about the grain systems of other countries--especially with regard to factors affecting quality. Canada is a major exception. To provide the documentation needed to analyze these systems, OTA sent study teams to Argentina, Brazil, France, and Australia--which along with Canada are the major grain exporters competing with the United States. The teams arrived in each country during the harvest in order to see the systems at work. Information was gathered in numerous interviews with producers, handlers, processors, exporters, grain inspectors, plant breeders, researchers, and government officials. The detailed reports written by members of the study teams form the basis of the chapters in this volume."

United States Congress, Office of Technology Assessment. *Pesticide Residues in Food: Technologies for Detection.* **Washington, DC: U.S. Government Printing Office, October 1988.** Mostly technical information. Good background for those interested in impact of improving detection technologies on residue policies. This report, prepared for the House Energy and Commerce Committee *Subcom on Oversight and Investigations* and the House Agriculture Committee *Subcom on Domestic Marketing, Consumer Relations, and Nutrition,* reviews Federal programs for monitoring pesticide residues in foods, describing current and emerging residue detection technologies, and assessing technical capabilities in relation to potential improvements in EPA, FDA, and USDA pesticide monitoring and enforcement activities. Appendices (p. 107-232) include OTA workshop papers on pesticide detection technologies.

United States Department of Agriculture. *Agricultural and Credit Outlook '86.* **Washington, DC: Farm Credit Administration, U.S. Department of Agriculture, January 1986.** This report is an overview of influences on the agricultural credit and lending environment. It provides an interpretation of the interaction between the domestic farm economy and developments in the general economies of the United States and its trading partners. The report reviews impacts on commodity situations, production input costs, trends in the use of output and changes in stock levels.

United States Department of Agriculture. *Agricultural Finance Outlook and Situation Report.* **Washington, DC: Economic Research Service, U.S. Department of Agriculture, March 1986.** The Economic Research Service has compiled this report of financial conditions in agriculture for the country as a whole. The report includes an overview of the farm economy with an outlook for the farm sector and for farm firms; a review of general economic conditions and outlook for 1986; reports on farm income, the farm sector balance sheet and farm stress; and information about agricultural lenders including commercial banks, the Farm Credit System, Farmers Home Administration and Life Insurance Companies. This section reports distribution of farm debt by lender, an analysis of portfolio quality, recent developments in agricultural lending and projections.

United States Department of Agriculture. *Agriculture Policy: A Citizens Guide to the American Food and Fiber System.* **Washington, DC: Office of the Secretary, U.S. Department of Agriculture, April 1985.** This publication contains 17 chapters (leaflets) which were originally part of a series of 50 leaflets sponsored by the Extension Committee on Policy, USDA-Extension, Michigan State Cooperative Extension Service, and the State Cooperative Extension Services. The original series was published at Michigan State University and edited by James Shaffer, Vernon Sorenson and Lawrence Libby. The leaflets contained in this publication, from the Office of the Secretary are organized under (1) The System, (2) The International Dimension, (3) Policy Influences, (4) Food Programs and Policies, (5) Resources and Conservation, (6) Research and Education, and (7) The Changing Politics of the Farm and Food System.

United States Department of Agriculture. Farm Management: How To Achieve Your Farm Business Goals. **The 1989 Yearbook of Agriculture. Washington, DC: U.S. Government Printing Office, 1989.** This yearbook's aim was to "help farmers and farm managers make better business decisions." It does provide a rather comprehensive treatment of topics traditionally falling under the label of farm management. However, it is probably more valuable as an introduction or vehicle for educating the reader on important business issues, problems, tools and decision making than as an often used reference for farm management. For the non-farmer or new farmer it contains valuable information concerning the problems and challenges for farmers and farm managers. For them it provides insight into the business dimension of this most important rural business.

United States Department of Agriculture. *Food Marketing Review-1988.* **Agricultural Economic Report 614. Washington, DC: Economic Research Service, U.S. Department of Agriculture, August 1989.** The serial publication provides an excellent overview of the United States' food marketing system. It contains data and analysis on (1) a profile of the food marketing system, (2) food manufacturing, (3) food wholesaling, (4) food retailing, and (5) food service. A capsule for the 1988 report: "The value of mergers in the U.S. food marketing system in 1988 reached the highest level in U.S. history. The four largest mergers announced or completed were valued at $47 billion compared with the previous high of $26 billion in 1985 for all recorded transactions. Sales of the Nation's food marketing system reached $638 billion. Advertising expenditures rose to an estimated $11.5 billion. About 10,600 new grocery products were introduced. The Nation's food processors spent $8.5 billion on new plant and equipment, including 369 new plant projects. The seventh consecutive balance of trade deficit in processed foods fell from $5.6 billion in 1987 to $3.3 billion in 1988. U.S. food marketing firms invested $16 billion abroad in 1987, while foreign firms invested $22.5 billion in U.S. firms."

United States Department of Agriculture. *"Giving Foreign Buyers What They Want: Cleaner U.S. Wheat."* **Farmline. Vol 7, No. 8, Washington, DC: Economic Research Service, U.S. Department of Agriculture,** August 1986. This article explains the reasons for the U.S.D.A.'s Federal Grain Inspection Service's proposal to more precisely measure the non-millable material in grain before it is exported. The world market for grain, U.S. grain quality and export expectations are discussed.

United States Department of Agriculture. *Marketing U.S. Agriculture.* **The 1988 Yearbook of Agriculture. Washington, DC: U.S. Government Printing Office, 1988.** This collection of articles on marketing covers agricultural product marketing as well as marketing of final products to consumers both domestically and internationally. It is a descriptive volume, providing the person new to agriculture and agribusiness marketing with a basic knowledge of marketing. It covers marketing in a changing world environment, marketing strategies for farmers and agribusiness, consumer buying habits and demands and commodity promotional programs. It also contains a helpful section on where to get marketing information.

United States Department of Agriculture. *Research for Tomorrow.* **The 1986 Yearbook of Agriculture. Washington, DC: U.S. Government Printing Office, 1986.** The 1986 Yearbook of Agriculture primarily describes and discusses current and future research programs and opportunities in biotechnology and its application to agricultural plants and animals. Its chapters cover such topics as biotechnology policy, biotechnology in food processing, biotechnology and plant and animal diseases, insect and weed control, photosynthesis, human nutrition, information technology and distribution, and others. A good reader for an introduction to these areas of research.

United States Department of Agriculture. *U.S. Agriculture in a Global Economy.* **The 1985 Yearbook of Agriculture. Washington, DC: U.S. Government Printing Office, 1985.** This yearbook focuses on U.S. agriculture in a world setting rather than as an entity by itself. It contains a compendium of articles providing a comprehensive view of U.S. agriculture in an interdependent world and discusses the relationships between domestic agricultural policies and the international markets. The book presents scientists' and others leaders' views on agricultural conditions in other parts of the globe, world trade in various commodities and the issues to be resolved in the public policy arena.

United States Senate, Committee on Agriculture, Nutrition, and Forestry. *Agriculture, Forestry, and Global Climate Change--A Reader.* **Com. Print, 101st Congress, 1st Session, Washington, DC: U.S. Government Printing Office, April 1989.** This compilation of selected writings provides background and scientific information on the probability of climate change, its probable causes, distribution of effects, and impacts on agriculture and forestry. While the scientific debate on "global warming" continues, policies may be developed based on the scientific data available. The Congressional Research Service assembled these writings to inform policy and decision makers. The major areas covered in this 618 page report are: (1) state of current science, (2) impacts on agriculture, (3) contributions of forestry to global warming, (4) impacts of global warming on forests, and (5) impacts on water resources.

United States Senate, Committee on Agriculture, Nutrition, and Forestry. *Directory of Programs for Distressed and Displaced Farmers.* **Com. Print, 100th Congress, 2d Session. Washington, DC: U.S. Government Printing Office, March 1988.** This committee print contains a directory of state programs to aid distressed and displaced farmers. It was compiled by the Center for Rural Studies, University of Vermont in 1987 under a contract with the U.S. Senate Committee on Agriculture, Nutrition, and Forestry. It would be useful in comparing such programs among states. It reports the following information for each program: address, phone, contact person, sponsoring agencies, funding, type of program and other information.

United States Senate. Committee on Governmental Affairs, Subcommittee on Intergovernmental Relations. *Governing the Heartland: Can Rural Communities Survive the Farm Crises?* **Washington, DC: U.S. Government Printing Office, May 1986.** This study documents problems related to declining land values, declining farm incomes and depressed conditions in farm-dependent local businesses, and addresses the implications of federal government programs and policy regarding the farm economy. The report includes an overview of the national agricultural economy, the impacts of changes in property tax in agriculturally dependent counties, local government expenditures, future impacts on local government spending, and options for federal, state and local policies to cope with changes in rural communities.

United States Senate. Committee on Agriculture, Nutrition, and Forestry. *Reform and Innovation of Science and Education: Planning for the 1990 Farm Bill.* **Com. Print, 101th Congress, 1st Session. Washington, DC: U.S. Government Printing Office, December 1989.** The papers in this Committee Print cover issues and proposals for reforming the U.S. agricultural science and education programs. In the forward, Senator Patrick J. Leaky, Committee Chairman, notes that these papers call for increased investment in sustainable agriculture, a greater focus on biotechnology and overall structural reform; the three topical headings under which the papers are organized.

Van Ravenswaay, Eileen Olson. "Organizational Design and Agribusiness Management Research." *Agribusiness: An International Journal 2* **(Winter 1986) 409-20.** The importance of the design of large and complex agribusiness organizations is suggested due to the significant role they play in value added to agricultural products. This article examines existing research and concludes that applicable theory implies different structural designs for agribusiness organizations than for general business organizations. Specific research topics are suggested.

Waite, Stephen W., and Jana L. Waite. *The Aquaculture Industry in Illinois.* **Champaign, IL: Aqua Culture Resources Midwest, July 1989.** This book updates and revises an earlier book on aquaculture in Illinois which was published by the Illinois Department of Agriculture. The authors provide, in this book, the most comprehensive coverage of current aquaculture and future prospects for aquaculture in Illinois. The book covers (1) aquaculture's current status in Illinois, (2) the legal and regulatory environment, (3) marketing, (4) production systems, (5) species of finfish, crustaceans and plants for aquaculture, and (6) basic production and financial principles. There is a good set of appendices covering state and federal agencies and publications related to aquaculture in Illinois.

Wallace, L. Tim. *Agriculture's Futures: America's Food System.* **New York: Springer-Verlag, 1987.** The material contained in this book appeared originally in a special issue of the Springer-Verlag journal Applied Agricultural Research, Vol. 1, No. 4, November 1986. In this text, Wallace provides an overview with substantive detail of the forces shaping the future of the food and fiber system. This text presents a concise description and analysis of the complex interrelationships among factors and forces impacting agriculture, including: (1) An overview of the globalization of agriculture and the U.S. food fiber system, (2) Macro economic forces shaping the U.S. food and fiber systems (3) The changing structure of farming and agribusiness and its impact on rural communities, (4) The future supply of production inputs with special attention to energy, (5) The impact of technological changes on agriculture, agribusiness and public/private institutions, (6) The power of the consumer and their impact on the food and fiber system, (7) The opportunities in international agriculture trade, (8) An overview of federal farm policy and policy alternatives and the future role of government in agriculture, and (9) A review of policy issues regarding land, air and water and the sustainability of an economically profitable agriculture. This text contains an excellent list of suggested readings.

Weimar, Mark R., and Arne Hallam. "Risk, Diversification, and Vegetables as an Alternative Crop for Midwestern Agriculture." *North Central Journal of Agricultural Economics* **10 (January 1988): 75-89.** The authors develop a quasi-spatial substitution model to investigate the opportunities for Iowa to substitute local vegetable production for that of current distant suppliers. The model determines current profitability and longer run profitability at equilibrium prices. Thirteen fresh vegetable crops are examined as alternatives to traditional row crops of corn and beans. The results indicate that "although more than half of these crops could be grown profitably within the state of Iowa, they would replace only about 3,900 acres of current corn and soybean acreage." The extent to which this would help Iowa's rural economy is limited by the small local demand for these fresh vegetable crops. If nearby states pursued the same avenue in alternative cropping, Iowa's potential for expansion of acreage would be limited.

Westgren, Randall E., and Michael L. Cook. "Strategic Management and Planning." *Agribusiness: An International Journal* **2 (Winter 1986) 477-89.** The authors present and discuss modern, multidisciplinary models for strategic management. They suggest a high level of applicability of traditional agricultural economics research areas is suggested. An agenda for agribusiness research in this area is presented, including: an audit of current agribusiness strategic management, strategic group identification, use of simulation games of strategy, strategies for cooperatives, develop strategic databases, continued industry and subsector analysis, risk and strategic management, and development of pedagogical techniques for teaching strategic thinking.

Westgren, R. E., S.T. Sonka, and K.K. Litzenberg. "Strategic Issue Identification Among Agribusiness Firms." *Agribusiness: An International Journal* **4 (January 1988): 25-37.** "Identification of strategic issues is a key managerial task. This study reports on an exploratory survey effort to identify strategic issues as perceived by managers of a diverse sample of agribusiness firms. The results suggest that both strategic management and strategic issue identification are important to agricultural managers. In general there was considerable commonality of interest expressed relative to individual strategic issues. However, the existence of key differences in concern were documented based on structural characteristics of the firm." Survey respondents were asked to rank the importance of strategic issues within three categories; general business issues, competitive issues and internal issues. The highest ranking issues in those three categories, respectively, were environmental regulation (state and federal), identification of major product rivals, and financial position (current and projected balance sheet).

Wharton, Robert B., Susan D. Harper, and Harlon D. Taylor. "A Procedure for Evaluating Grain Elevator Bankruptcies." *Agribusiness: An International Journal* **3 (Winter 1987): 427-437.** The authors analyzed financial and operating data for Louisiana grain elevators for 1980-81. They examined data for both bankrupt and non-bankrupt elevators to ascertain characteristics that may be useful in predicting bankruptcies. Linear discriminant functions were estimated for the two predefined populations of elevators. They found that measures of liquidity, solvency, cash on hand and number of grains handled predicted six out of seven bankruptcies and survival for 19 out of the 22 firms that had survived. The Louisiana results are not of great interest in Illinois but the analysis may be applicable to Illinois grain elevators.

White, Fred C., and Syu-Jyun Larry Lyu. "An Analysis of Debt Financing in U.S. Agriculture." *Agricultural Finance Review* **48 (1988): 68-74.** The equity-to-debt ratio for U.S. Agriculture averaged 5.9 in 1961-65, 4.9 in 1966-75, 5.1 in 1976-80, and then 3.9 in 1981-86. "For almost half a century, debt and equity levels in U.S. agriculture had mounted. Then in the 1980s agriculture's financial structure was adjusted significantly. This study analyzes the sources of variation in agriculture's financial structure. A model of time-varying parameters is used in econometric analysis. Farmer's investment responses in the 1970s appear to have been inconsistent with longer term trends. In particular, the cost of equity in the 1970s was driven down to unprecedented levels. The financial adjustments of the 1980s appear to have corrected for the inconsistencies of the 1970s and to have brought agriculture's financial structure more in line with long-term trends."

Winrock International Institute for Agricultural Development. *Aid, Trade, and Farm Policies: A Sourcebook on Issues and Interrelationships.* **eds. Wayne E. Swegle and Polly C. Ligon. Morrilton, AR: Winrock International Institute for Agricultural Development, 1989.** This book contains the proceedings of a workshop, January 4-5, 1989 in Washington, D.C. The authors are leaders and experts in their fields. They provide discussion on three important topics: (1) food aid and development assistance to agriculture in the third world, (2) agricultural aspects of the Uruguay Round of international trade negotiations, and (3) upcoming decisions on future U.S. farm programs.

Youngberg, Garth., and Charles A. Francis. "Sustainability, a Goal for American Agriculture: Overview and Summary." In *Reform and Innovation of Science and Education: Planning for the 1990 Farm Bill.* **Com. Print, 101th Congress, 1st Session, Washington, DC: U.S. Government Printing Office, December 1989.** The author's suggest that Congress make sustainability a goal and focal point of the 1990 farm legislation. They have some historical background for the increased interest in sustainability concepts and appear to accept their own definition of sustainable agriculture: "Sustainable agriculture is a philosophy based on human goals and on understanding the long-term impact of our activities on the environment and on other species. Use of this philosophy guides our application of prior experience and the latest scientific advances to create integrated, resource-conserving, equitable farming systems. These systems reduce environmental degradation, maintain agricultural productivity, promote economic viability in both the long and short-term, maintain stable rural communities and the quality of life." While the authors do identify some of the erroneous stereotypes of "sustainable methods" they do not cover the conflicts which can arise among the attributes they list for sustainable agriculture.

RURAL BANKS AND FINANCIAL INSTITUTIONS

Michael T. Pledge
Western Illinois University

The 1980s were a volatile period for the country's small banks. In addition to a major economic downturn, they were faced with a number of major changes in regulation and in the competitive environment within which they operate. Among the forces impacting the nation's small banks during the 1980s were:

Deregulation and Financial Reform

The two major legislative changes affecting the banking industry in the 1980s were the Depository Institutions Deregulation and Monetary Control Act (DIDMCA) of 1980 and the Garn-St. Germain Depository Institutions Act of 1982. These legislative actions gave banks, and other depository financial institutions, much greater flexibility in their operations. Among the more significant aspects of this greater flexibility has been the lifting of restrictions (Regulation Q) on the interest rates that depository institutions may pay on deposits, and to a lesser extent, the rates that may be charged on many types of loans.

The economic environment that banks operate within has become not only much more interest rate competitive, but it has also become much less stable because of fluctuating interest rates. The prime rate, for example, fluctuated around 20 percent in the early 1980s, declined to 7.5 percent by Fall 1986 and then increased to 11.5 percent by early 1989. Such interest rate volatility makes it difficult for commercial banks to maintain a stable and adequate spread between their cost of funds and their return on assets.

Interest rate volatility has been a problem that has had to be coped with. It has fostered the development of interest rate risk management techniques such as financial futures, interest-rate swaps and options-based interest rate caps, collars and floors.

Increased Market Competition

Banking markets also became much more competitive in the 1980s. This was due to three main factors. First, the deregulation contained in the DIDMCA of 1980 and the Garn-St. Germain Act of 1982 has greatly increased the competition between commercial banks and nonbank depository financial institutions (savings and loan associations, mutual savings banks and credit unions). This deregulation has allowed nonbank depository institutions to offer financial services (for example, checking accounts) that had traditionally been limited to, or at least dominated by, commercial banks.

A second, and some would argue a much more significant, form of increased market competition has come from nonbanking firms such as Sears, K-Mart, General Electric, Ford, American Express and Merrill Lynch. These financial and nonfinancial organizations offer not only many of the same financial services (checking accounts, savings/time deposits, credit cards, consumer loans, commercial loans, and mortgage loans) as commercial banks, but also services (insurance, brokerage, underwriting, mutual funds and real estate) that many banks are prohibited from offering.

A third factor that has increased market competition has been the trend towards interstate banking. The state of Illinois, for example, has permitted banking organizations in Illinois to buy banks in Wisconsin, Michigan, Indiana, Kentucky and Missouri - and vice versa - since July 1986. Starting December 1, 1990, Illinois is open, on a reciprocal basis, to national interstate banking. With larger commercial banks, nonbank depository institutions, and nonbanking firms now able to compete more directly with small community banks, a shrinkage in traditional markets has resulted for many smaller banks. In turn, this has helped create pressures on profitability and has raised questions concerning the ability of the small banks to survive.

Unstable Economic Conditions

The most severe economic downturn since the 1930s occurred in the early 1980s when the economy experienced two back-to-back recessions. While economic growth began after the 1981-82 recession and continued throughout the remainder of the decade, this growth was not uniform across the economy. Certain economic sectors (for example, agriculture, energy and real-estate) and geographical regions (Midwest and Southwest) experienced slower recovery than the remainder of the economy.

Small businesses (farm and non-farm) are an important part of the customer base for smaller banks. The failure rates of small businesses were high during the 1980s, while new and start-up businesses experienced severe difficulties. Many of the problems of the small businesses can be traced, either directly or indirectly, to the previously noted problems in agriculture, energy and real-estate.

These unstable economic conditions have severely impacted a number of the nation's smaller banks. These conditions have translated into credit quality problems and increased loan losses, and have contributed to the greatest number of small bank failures since the early 1930s. For instance, in 1986 farm bank failures accounted for 42 percent of all bank failures.

The forces described above (deregulation, increased competition and economic instability) were among the factors shaping the banking industry during the 1980s, and prompting a great deal of discussion and research. These aspects of the changing banking scene increased the challenges to the prosperity and survival of the small banks during the 1980s.

A number of the issues that were set in motion during the 1980s will most likely continue to be of utmost importance in the 1990s. First, additional liberalization of inter- and intrastate banking regulations will very likely continue and help foster greater banking consolidation through mergers and acquisitions, and will lead to even less restricted geographic markets in the 1990s.

Second, additional nonfinancial business firms will most likely enter the financial services business and compete directly with commercial banks. Increased competition will very likely drive down loan volume and rates, particularly for small banks, causing a decline in gross interest income and negatively impacting net interest margins.

Third, cost studies and performance data point to the fact that small banks will continue to see their earnings squeezed. Data on the quality of assets and bank failure rates indicate that small banks will continue to face a challenge to their survival during the decade of the 1990s.

Fourth, financing of agriculture is dramatically changing. Agriculture has traditionally been served by the small independent bank. But, by 1989, the countries largest banks held nearly 25 percent of commercial bank farm debt, and their share of the market is expected to increase at the expense of the small banks.

Fifth, technological change has reduced the cost of both processing and transmitting financial information, and has allowed services to be more closely matched to the specific needs of the customer. This will require that small banks either make the needed technological investment and/or sell services that are offered by another provider of financial services.

Sixth, significant legislative changes, resulting from the Treasury Department's study of federal deposit insurance could materialize during the 1990s. Some of the proposals that are being discussed could have far reaching effects on the nation's smaller banks.

The financial services industry changed dramatically in the 1980s and is expected to continue this trend in the 1990s. The exact form that the financial services industry will take by the 21st century is far from certain. However, it is clear that due to factors such as technological change and additional competition from both financial and nonfinancial organizations, small banks will face a major challenge to their continued survival.

The references in this collection cover research specifically relating to small banks and also articles linked to issues faced by small banks. The topics and orientation of the articles make each of the selections accessible to graduate and upper division undergraduate students, executives of financial institutions, and researchers interested in problems facing both small banks and thrift institutions.

Abken, Peter A. "Interest-Rate Caps, Collars, and Floors." *Federal Reserve Bank of Atlanta Economic Review* **74 (November/December 1989): 2-24.** This article explains interest rate caps, collars and floors, illustrates how they are constructed and discusses their credit risks. Through the use of these interest rate risk management techniques financial managers can both hedge against interest rate risk and speculate on interest rate changes.

Amel, Dean F. and Stephen A. Rhoades. "Empirical Evidence on the Motives for Bank Mergers." *Eastern Economic Journal* **15 (January/March 1989): 17-27.**

Amel, Dean F. and Michael J. Jacowski. "Trends in Banking Structure Since the Mid-1970s." *Federal Reserve Bulletin* **75 (March 1989): 120-133.** Using tables, the authors trace the trends in the structure of banking from 1977 to 1987. They found that the U.S. banking system became more concentrated at the national, regional and state levels, but not on the local level.

American Bankers Association. *Exploring Public Confidence and Satisfaction with Banking in Small Towns.* **Washington, DC: American Bankers Association, June 1986.**

Arthur Andersen and Company and Bank Administration Institute. *New Dimensions in Banking: Managing the Strategic Position.* **Rolling Meadows, IL: Arthur Andersen and Company and Bank Administration Institute, 1983.** During the early 1980s, the Bank Administration Institute and Arthur Andersen and Company jointly surveyed, using the Delphi technique, several hundred commercial bankers, legislators, regulators and nonbank financial executives. The study investigated the regulatory environment, the structure of the industry, technological change, bank financial performance, bank funding, and retail and commercial lending in an attempt to arrive at a consensus forecast on the future trends in banking. Some of the major trends affecting small banks that were arrived at by the panelists are: 1. deregulation will favor the large banks more than the smaller institutions; 2. bank profits will decline, with small banks experiencing the largest drop; 3. a decline of over 30 percent in the total number of banks, with the greatest net decline coming from the category of small banks; and 4. a focusing by small banks on personalized retail services.

Arthur Young and Company. *Assessment of Business Expansion Opportunities for Banking.* **Washington, DC: American Bankers Association, 1983.**

Baer, Herbert L. and Christie A. Pavel. "Does Deregulation Drive Innovation?" *Federal Reserve Bank of Chicago Economic Perspective* **12 (March/April 1988): 3-16.**

"Bank Structure and Competition." In *Proceedings on Bank Structure and Competition.* **Chicago, IL: Federal Reserve Bank of Chicago, April 1984.** Interstate banking and the viability of small banks in a deregulated environment were two of the major issues addressed at this 1984 conference. The conference participants included academics, economists, regulators and practitioners from many sectors of the financial services industry.

Two conference papers of particular interest concerning the future of small banks were presented by Joel A. Bleeke of McKinsey and Co., and Richard J. Wurzburg of the Bank Administration Institute. Bleeke discussed acquisition patterns by drawing a parallel between the banking and brewing industries, while Wurzburg discussed a consensus forecast (based on the Delphi technique) by several hundred bank and nonbank financial industry executives concerning the future of banking.

Bleeke and Wurzburg both forecast a dramatic reduction in the number of banks. Bleeke projected a decrease of possibly 50 percent in the number of banks by the year 2000. The results of the financial executive survey suggested that by 1990 there would be one-third fewer banks, with the greatest decline being banks with less than $100 million in assets.

Bauer, Joseph R. "FDIC's Individual Bank Comparative Report: A Conceptual, Historical and Investigatory Study from the Small Bank Perspective." Ph.D. Thesis, The Stonier School of

Banking, 1980. The author's thesis applies the case method of research to three small banks that failed in 1979. He undertakes this research in an attempt to gauge the Comparative Performance Report's ability to provide data for indepth analyses of the causes of bank failures.

His study finds that the Comparative Performance Report can be used to successfully discover problem areas in poorly managed banks well in advance of their possible failure. The approach appears to perform best when there are earnings or operational problems, and is less effective when the institution's problems involve the quality of assets and/or liquidity.

Bauer, Paul W. and Brian A. Cromwell. "The Effect of Bank Structure and Profitability on Firm Openings." *Federal Reserve Bank of Cleveland Economic Review* **(Fourth Quarter 1989): 29-39.** The article investigates the effects of bank structure and profitability on the opening of new businesses. In the authors' model, data from 259 SMSAs across the country are employed. In addition to finding that the opening of new firms is positively associated with low wages, low taxes and a large number of existing firms, they also find that bank structure and profitability have significant effects on economic development. Specifically, new firm openings are associated with higher bank profits, higher numbers of bank employees, lower levels of concentration, higher proportions of small banks and freer entry of new banks into the region.

Beckwith, Burnham P. "Eight Forecasts for U.S. Banking." *The Futurist,* **23 (March/April 1989): 27-33.**

Belongia, Michael T. and G.J. Santoni. "Hedging Interest Rate Risk with Financial Futures: Some Basic Principles." *Federal Reserve Bank of St. Louis Review* **60 (October 1984): 15-25.** This article illustrates how maturity mismatches between assets and liabilities expose a financial institution to interest rate risk. The two authors discuss the concept of hedging and explain how financial futures can be used to reduce interest rate risk.

Belongia, Michael T. and R. Alton Gilbert. "Agricultural Banks: Causes of Failures and the Condition of Survivors." *Federal Reserve Bank of St. Louis Review* **69 (May 1987): 30-37.** The article investigates the financial condition of agricultural banks that both failed and survived during the 1980s. The authors analyzed a sample of 515 banks, 102 of which had failed between 1984-86. They found that prior to the farm sector downturn, both the failed and surviving banks were similarly capitalized and profitable in 1981.

Belongia and Gilbert concluded that the failed banks had riskier portfolios than the surviving banks. The failed banks held a larger proportion of their assets in loans, particularly farm loans, and a smaller proportion in U.S. government securities than did the surviving banks. Of the 413 solvent banks in the study, the authors found that 70 percent were in sound financial condition in 1986.

Benston, George J., Allen N. Berger, Gerald A. Hanweck, and David B. Humphrey. Economies of Scale and Scope in Banking. In *Proceedings on Bank Structure and Competition.* **Chicago, IL: Federal Reserve Bank of Chicago (May 1983): 432-455.**

Bovenzi, John F., James A. Marino, and Frank E. McFadden. "Commercial Bank Failure Prediction Models." *Federal Reserve Bank of Atlanta Economic Review* **68 (November 1983): 14-26.**

Brenton, C. Robert, "An Ag Banker's Views." *Federal Reserve Bank of Chicago Economic Perspectives* **9 (November/December 1985): 22-28.**

Brown, Judy. "How High-Performance Community Banks Cope with the Effects of Deregulation." *Journal of Retail Banking* **5 (Fall 1983): 17-24.**

Burns, Thomas J. *Modern Human Resource Management for Banks.* **Rolling Meadows, IL: Bank Administration Institute, 1988.** This book is a guide to human resource management for personnel directors of small and medium-sized commercial banks. It is divided into 6 chapters, and is intended to cover topics that will assist the personnel director in formulating practical and everyday approaches to personnel management. Among the topics discussed are procedures for assessing both current and future staffing needs, recruitment and evaluation of potential employees, employee training and utilization, formulation and promulgation of personnel policies, establishment and maintenance of good employee relations, pay scales, and legal concerns in employment policies and practices. Based on the assumption that banks already have salary and benefit programs in operation, the author only discusses this issue as it relates to other topics under consideration.

Calem, Paul. "Interstate Bank Mergers and Competition in Banking." *Federal Reserve Bank of Philadelphia Business Review* **(January/February 1987): 3-14.** The author states that while interstate banking will lead to a decrease in the number of commercial banks, competition in the regional and national markets is likely to continue to be strong. At the local level, bank customers may receive more and better services at competitive prices as banks expand interstate.

Clair, Robert T. "Financial Strategies of Top-Performance Banks in the Eleventh District." *Federal Reserve Bank of Dallas Economic Review* **(January 1987): 1-13.**

Clark, Jeffrey A. "Economies of Scale and Scope at Depository Financial Institutions: A Review of the Literature." *Federal Reserve Bank of Kansas City Economic Review* **73 (September/October 1988): 16-33.** This article reviews 13 recent studies that attempted to estimate economics of scale (production economies associated with firm size) and economies of scope (production economies which relate to the joint production of two or more products) for commercial banks, savings and loan associations and credit unions. Each study employed a translog statistical cost function and used similar measures of economies of scale and scope.

In general, the articles reviewed conclude that large diversified depository institutions have not enjoyed a large cost advantage over smaller, more specialized institutions. More specifically, the results of the studies had general consensus on such basic points as: 1. overall economies of scale appear to exist only for institutions with less than $100 million in total deposits; 2. there is no consistent evidence of global economies of scope; 3. there is some evidence of economies in joint production among specific pairs of products such as consumer and mortgage loans, investments and mortgage loans, and time and demand deposits; and 4. these results appear to be consistent across the three types of institutions studied. The author does caution that the studies he reviewed predate the granting of many new powers to depository institutions and therefore cannot be used to draw conclusions about their possible effect on costs.

The reviewed studies lead the author to draw the conclusion that the absence of a cost advantage for large institutions minimizes the likelihood that the industry will be dominated by a few large depository financial institutions. Thus, a role continues to exist for the smaller, more specialized institutions.

Cole, Roger T. "Financial Performance of Small Banks, 1977-1980." *Federal Reserve Bulletin* **67 (June 1981): 480-485.**

Cyrnak, Tony and Stephen A. Rhoades. "Small Markets: A Potentially Profitable Approach to Geographic Expansion." *Issues in Bank Regulation* **13 (Spring 1989): 21-26.**

Daniels, Thomas L. "Rural Banking Trends and Economic Development in Nonmetro Areas." *Government Finance Review* **2 (June 1986): 41-42.**

Danker, Deborah J. and Mary M. McLaughlin. "The Profitability of U.S. - Chartered Insured Commercial Banks in 1986." *Federal Reserve Bulletin* **73 (July 1987): 537-51.** In their often cited article on commercial bank profitability, Darker and McLaughlin subdivided banks into three size categories: less than $100 million, $100 million to $1 billion, and $1 billion or more. The authors report that small banks (less than $100 million in assets) earned a higher return on assets

(ROA) than the industrywide figure from 1981 through 1984. In 1985, their ROA was at the industry average, but fell below the average in 1986. In every year under study, the small banks had a higher ROA than did the giant money-center banks.

Davids, Lewis E. "Plight of Agricultural Banks." *Mid-Continent Bankers* **81 (June 1985): 50.**

Drabenstott, Mark and Anne O'Mara McDonley. "The Impact of Financial Futures on Agricultural Banks." *Federal Reserve Bank of Kansas City Economic Review* **67 (May 1982): 19-30.**

Duca, John V. and Mary M. McLaughlin. "Developments Affecting the Profitability of Commercial Banks." *Federal Reserve Bulletin* **76 (July 1990): 447-499.** Using charts and tables, the authors report on the profitability of U.S.-chartered insured commercial banks for 1989. For 1989, commercial bank profitability declined mainly due to an increase by large banks in loan loss provisions.

In 1989, the ROA (return on assets) for all banks was 0.51. For banks with less than $300 million in assets, the ROA was above the industry average. Since 1986, the ROA for banks with assets less than $300 million has shown a steady improvement, going from 0.58 in 1986 to 0.88 in 1989. The authors' study showed not only a marked improvement in the profitability of the nation's smaller banks, but also of agricultural banks. For agricultural banks the authors identified the following favorable factors: 1. agricultural banks reduced their loss provisions relative to assets; 2. nonperforming assets were a smaller proportion of total loans than for the industry; and 3. the ROA was almost twice as high as the industry.

Edwards, Raoul D. "Banking Commentary: The Survival of the Community Bank." *United States Banker* **96 (April 1985): 6-7.** Small community banks (defined as banks with under $100 million in assets) are beset by major changes in the industry. For continued viability, the community banker must address the following issues: 1. methods to improve distribution systems; 2. product development; 3. improved management of risk; 4. market identification and segmentation; 5. better capitalization; 6. adaptation to technology and its applications in operations; and 7. ownership and management succession.

Efstratiades, Anastasius. "Surviving Regional Banking." *Bankers Monthly* **103 (February 1986): 20-21.**

"Facing the Future: Ten Key Issues." *Mid-Continent Banker (Northern Edition)* **82 (September 1986): 18.** Academics, regulators, consultants, lawyers and bankers from both small and large sized banks were polled as to the issues that will shape the banking industry in the near future. They identified the following key issues: 1. interstate banking; 2. nonbank competition; 3. the small banks earning squeeze; 4. debt problems; 5. shortage of qualified managers; 6. telecommunications; 7. the liability crisis; 8. new products and services and nontraditional markets; 9. the possibility of omnibus banking legislation; and 10. the impact of tax reform.

Flannery, Mark J. *The Impact of Market Rates on Small Commercial Banks.* **Rodney L. White Center of Financial Research, Working Paper No. 10-81 (August 1981).**

"Formality Poses Problems." *ABA Bankers Weekly* **2 (April 26, 1988): 8.**

Fraser, Donald R. and James W. Kolari. *The Future of Small Banks in a Deregulated Environment.* **Cambridge, MA: Ballinger Publishing Company, 1985.** This in-depth study of the nation's small banks is divided into seven chapters. The last chapter is devoted to a review and assessment of the information presented in the previous chapters, and looks at the future of the small bank.

Chapter 1 presents an overview of the structure of the commercial banking industry and points out that this structure is basically an outgrowth of regulation. In Chapter 2 the authors raise questions concerning the future of small banks as they discuss the changes sweeping the financial services industry.

In Chapter 3, the authors look at the questions raised in the previous chapter. They separately investigate the potential consequences of deposit rate deregulation, product deregulation, geographical deregulation and the new competition from nonbanking organizations such as Sears, American Express, and Merrill Lynch on small banks. In general, Fraser and Kolari feel that these changes will have less of an effect on small banks than had originally been expected.

Chapter 4 provides a discussion of how different sized banks adjusted to change over the last two decades, and concludes that small banks have adjusted and fared quite well. In Chapter 5 the riskiness of small banks is investigated, and the conclusion is reached that on average small banks are not any riskier, in the aggregate, than larger banks.

Chapter 6 discusses various strategic responses to deregulation and the new competition from nondepository institutions. In Chapter 7, Fraser and Kolari review their major points and discuss the future viability of small banks. They conclude that the problems facing the banking industry are no greater for small banks than they are for large banks, and they feel that management strategies are available to alleviate and moderate many of these problems.

The Future of Small Depository Institutions in an Era of Deregulation, Financial Innovation and Technological Change. **Proceedings on the Future of Small Depository Institutions in an Era of Deregulation, Financial Innovation and Technological Change. Board of Governors of the Federal Reserve System, January 23, 1984.** The close to 150 participants at this conference included academics, consultants, regulators and executives from both small banks and thrift institutions. The first three papers dealt with the impact on small depository financial institutions of interstate banking, product and pricing deregulation, and technological change.

The fourth and final paper, by W. Richard Summerwill of the Iowa State Bank and Trust Company, examined the issues raised in the first three papers from the point of view of a small commercial banker. Among the points raised by Summerwill were: 1. small banks are now loan driven rather than deposit driven; 2. small banks must increase their non-interest income, while developing a strategy to deal with non-interest expenses; and 3. the key to the future survival of the small bank is good management.

Gajewski, Gregory. "Rural Bank Failures Aren't a Big Problem - - Yet." *American Banker* **(August 28, 1986): 14-15.**

Goudreau, Robert E. and David D. Whitehead. "F.Y.I.: Commercial Bank Profitability." *Federal Reserve Bank of Atlanta Economic Review* **76 (July/August 1989): 34-47.** To gauge the profit performance of commercial banks, Whitehead and Goudreau applied three measures: return on assets, adjusted net interest margin and return on equity. The authors subdivided the banks into six categories ranging in size from less than $25 million to over $1 billion, and analyzed profitability measures for each category from 1984 through 1988.

Based on a bank's percentage return on assets (ROA) - the most widely cited profitability measurement for commercial banks - the study shows that the nation's banks had an impressive increase in 1988. After dropping to 0.09 percent in 1987, from a range of 0.64 - 0.70 percent during 1984-86, the ROA rose to 0.85 in 1988.

Banks with assets under $100 million also registered increases in their ROA in 1988, but their ROA were below the industry average. Banks with assets under $25 million increased their ROA from 0.19 in 1987 to 0.39 in 1988. Banks with assets between $25 million and $50 million raised their ROA from a 1987 percent of 0.47 to 0.64 in 1988, while banks in the $50 to $100 million range had an increase to 0.80 in 1988, from 0.74 in 1987. Banks with assets between $100 and $500 million had a ROA above the industry average from 1984-1987. In 1988, their ROA were slightly below the average at 0.82 percent.

The authors also studied ROA data for banks at the 75th, 50th and 25th percentiles of profitability for each size category. They found that 1988's profitability at the weakest banks (25th percentile) improved in each size category. After suffering losses in 1986 and 1987, profitability at the 25th percentile banks with assets below $25 million improved to 0.23 percent ROA. The authors attribute, at least partially, this improvement to the discontinuance of operations by the nation's least profitable small banks. As they point out, almost half of the banks that failed in recent years had assets less than $25 million.

Gregorash, George M. and James Morrison. "Lean Years in Agricultural Banking." *Federal Reserve Bank of Chicago Economic Perspectives* **9 (November/December 1985): 17-21.**

Gregorash, George and Eileen Maloney. "Banking 1988: The Eye of the Storm." *Federal Reserve Bank of Chicago Economic Perspectives* **(July/August 1989): 2-12.** Along with the entire banking system, agricultural banks (defined as banks with more than 30 percent of their loan portfolio consisting of agricultural loans) showed an impressive improvement in their return on assets (ROA) in 1988. Midwestern agricultural banks had a 1988 ROA of 0.94 percent, up from 0.65 percent in 1987 and 0.29 percent in 1986. The authors caution against expecting these trends to necessarily continue into the future.

Gup, Benton E., ed. *Bank Mergers: Current Issues and Perspectives.* **Boston: Kluwer Academic Publishers, 1989.**

Gup, Benton E., Donald R. Fraser, and James W. Kolari. *Commercial Bank Management.* **New York: John Wiley & Sons, 1989.**

Gup, Benton E. and John R. Walter. "Top Performing Small Banks: Making Money the Old-Fashioned Way." *Federal Reserve Bank of Richmond Economic Review* **75 (November/December 1989): 23-31.** This study compares the policies of small banks (defined as banks with under $100 million in assets) having persistently high profits (defined as having ROAs of 1.5 percent or more for all the years in the study) to all small banks over the period 1982 through 1987. The analysis covered a total of 9,493 banks, with 2,290 of these banks being in the Central region (including the state of Illinois) of the country.

The authors' analysis of these small banks found that 206 (2.2 percent) met their criterion to be classified as a high-performance bank. The Central region had 44 banks (21.4 percent) in the high-performance category.

The authors found that the high-performance banks relied more on low-cost demand deposits, invested more in securities (long-term and municipal), had higher quality loans and had higher capitalization than the average small bank in the study. They concluded that the high-performance banks appeared to follow a strategy of good basic banking - obtaining funds at low cost, and using the funds to make high-quality profitable financial investments.

Hamlin, George W. "Why Small Banks Want Broader Securities Powers." *American Banker* **(March 5, 1987): 4-7.**

Hannan, Timothy H., and Stephen A. Rhoades. "Acquisition Targets and Motives: The Case of the Banking Industry." *The Review of Economics and Statistics* **69 (1987): 67-74.**

"How Credit Securitization Can Benefit Small Banks: An Interview with Lowell L. Bryan." *Bankers Magazine* **17 (March/April 1988): 11-14.**

Hunter, William C. and Larry D. Wall. "Bank Merger Motivations: A Review of the Evidence and an Examination of Key Target Bank Characteristics." *Federal Reserve Bank of Atlanta Economic Review* **76 (September/October 1989): 2-19.** What are the factors that motivate bank mergers? The authors address this question in a two-fold fashion. First, they conduct a literature review of the subject and secondly, they present new research dealing with key traits of target and acquiring institutions during the period 1981 through 1986. Their work covers 559 bank mergers, and uses the multivariate statistical technique of cluster analysis.

In the merger cases analyzed, using information obtained from MergerWatch, the acquiring bank had total assets of $100 million or more and the target bank had total assets of $25 million or more. The following variables were investigated for each target bank in the study: the ratio of the purchase price paid in the merger to the book value of equity of the target; the ratios of book equity capital to total assets, retail loans to total loans, loans to earning assets, and net income after taxes to book equity; the five-year growth rate in total assets; and the five-year growth rate in core deposits.

In addition, the 559 sample mergers were classified into four geographic subregions. The Central region included Illinois, Indiana, Kentucky, Michigan, Ohio and Wisconsin. The central region comprised 155 (28 percent) of the observations.

The authors work leads them to the conclusion that the highest prices were paid for banks with higher-than-average profitability, faster growth in both deposits and assets, a higher ratio of loans to earning assets and judicious use of financial leverage. They found this profile to be stable across the four geographic subregions, time and bank customer bases. The results of the analysis of acquired banks did not find any systematic profile.

The authors feel that banks which purchase other banks are first of all motivated by the desire to diversify their earning and growth potential, and secondly, by the desire to achieve economies of scale.

Hunter, William C. and Aruna Srinivasan. "Determinants of De Novo Bank Performance." *Federal Reserve Bank of Atlanta Economic Review* **75 (March/April 1990): 14-25.** What are the factors that determine a newly chartered independent commercial bank's probability of financial success? The two authors identify determinants of financial success and rank them in terms of their relative importance.

The authors' study investigated 169 independent de novo banks chartered in 32 states during 1980, and still existing as independent institutions in 1988. The new banks' performance is compared to similar established banks in the same state with total assets less than $100 million.

The eight determinants of financial success studied by the authors are: 1. bank operating cost structure; 2. leverage (capital); 3. loan portifolio composition; 4. credit policy; 5. liquidity; 6. local market sturcture; 7. state branching law; and 8. the economic climate of the local trade area.

Using the probit analysis technique, the authors found the following three factors to be of utmost importance in determining a new bank's financial success: 1. credit policy; 2. operating costs; and 3. leverage. The other factors did not exhibit consistent, significant effects on the financial success of the new banks studied over the eight year period.

Kaufman, George, Larry R, Mote, and Harvey Rosenblum. "Implications of Deregulation for Product Lines and Geographic Markets of Financial Institutions." *Journal of Bank Research* **14 (1983): 8-21.**

Keeton, William R. "The New Risk-Based Capital Plan for Commercial Banks." *Federal Reserve Bank of Kansas City Economic Review* **74 (December 1989): 40-60.** The banking industry is facing new risk-based capital standards that will take full effect at the end of 1992. The author develops the historical background of the present system of capital requirements, describes the new risk-based capital standards, explains how the bank's capital requirement will be determined under the new standards and attempts to measure the impact on various groups of banks. The author concludes that a risk-based capital structure can improve control over risk-taking in three ways: 1. by reducing the probability of a risky bank failing; 2. by rewarding banks that move to safer activities; and 3. by discouraging risky banks from embarking on a program of very rapid growth.

Kiliani, Katherine and Theodore Lowen. "What Banks Can Do To Stay Independent." *Bankers Monthly* **103 (February 1986): 15-17.**

King, B. Frank, Sheila L. Tschinkel, and David D. Whitehead. "F.Y.I.: Interstate Banking Developments in the 1980s." *Federal Reserve Bank of Atlanta Economic Review* **74 (May/June 1989): 32-51.** The authors review the legislative background of interstate banking, describe the recent developments in this area, and show the changes between 1982-88 in the nation's 50 largest banking organizations. They point out that the most dramatic development in interstate banking has been the growth in domestically owned full-service interstate banking offices. From 1983 to the end of 1988, these offices increased from 1,258 to 7,364 (485 percent change). The three authors point out that the current direction is towards interstate banking laws becoming more national in scope. This trend has had the effect of creating more potential purchasers for both small commercial banks and for failing banks.

Kolari, James W. and Donald R. Fraser. *Size and Financial Performance in Banking.* **Washington, DC: U.S. Small Business Administration, SB-1A-0072-01-1, October 1983.**

Kolari, James and Asghar Zardkoohi. *Small Banks in a Changing Financial Environment.* **U.S. Small Business Administration, Office of Advocacy, No. SBA-8564-0A-84. Springfield, VA: National Technical Information Service, 1986.** The purpose of the study is to provide empirical evidence and survey results on the potential effects of regulatory and technological changes on the viability of different sized banks. In particular, the study emphasizes the impact of these changes on small banks. The authors use three data sources in their analysis: 1. FDIC's computerized tape series of Reports of Income and Condition for approximately 1,000 sample banks, 2. data on bank costs and outputs from the Federal Reserve's Functional Cost Analysis for the period 1979-1983, and 3. a national survey of some 1,500 banks that dealt with the banker's perceived effect of deposit rate deregulation, product line deregulation and interstate banking deregulation.

The authors' study raises and answers three questions. 1. Is change in the financial services industry proceeding too rapidly for small banks to safely adapt? 2. Are the cost economies of banking services incompatible with small bank production levels? 3. Do small bankers believe they can overcome deregulation to maintain their competitive vigor relative to larger institutions?

The authors' analysis lead them to the following conclusions concerning the three questions that they raised. First, they feel that the banking industry has completed much of the adjustment process necessary to adapt to the market innovation and deregulation of the late 1970s and early 1980s. They believe that small banks, with respect to their financial condition, have adjusted as well as have the large banks.

In relation to the second question dealing with economies of scale and scope, the authors found that in unit banking states the cost curves were flat, thus no cost advantage by bank size. In branch banking states the cost curves were U-shaped. Economies of scale were exhausted between $50 and $100 million deposits, and significant diseconomies set in beyond this output range. In relation to economies of scope, no differences were found between small versus large banks.

Survey information was used to answer the third question dealing with attitudes towards deregulation. All sized banks felt that deposit rate deregulation would decrease their competitive position, while product line deregulation and interstate banking were seen as a disadvantage to the small banks.

Kutler, Jeffrey. "Personnel Cited as Biggest Problem, Operations Managers Say." *American Banker* **(December 8, 1988): 13-14.**

LaMonaca, Frank P., Jr. "Banking in the Shadow of Giants." *Banking Magazine* **171 (March/April 1988): 5-9.** With an increasing number of mergers and acquisitions, the author raises and answers a number of questions, relating to the ability of the small community bank to survive. His conclusion is that the small bank can effectively and profitably compete in this environment.

To survive and effectively compete, the small bank must exploit its competitive advantage which includes: 1. flexibility in its internal and external policies; 2. its ability to attract customers

BEST COPY AVAILABLE

from the local community; and 3. its entrepreneurial spirit. In addition to its advantages, the small bank must develop a cohesive strategy. The keys to this strategy are quality customer service, competitive pricing policies and low cost funding.

The author sees a number of major hurdles that the small institution must overcome. These hurdles include: 1. liquidity management; 2. interest rate risk management; 3. inability to make large sized loans; 4. difficulty in attracting high quality personnel; and 5. inability to offer a full range of products.

In conclusion, LaMonaca advances the idea that the multibank holding company provides a competitive opportunity for the smaller banks. The holding company arrangement offers a small bank retention of its community identify, a stronger capital position, improved liquidity, ability to make larger sized loans; improved asset quality, and the ability to employ and retain higher quality personnel.

Landis, Ken. "Should Small Banks Take the Plunge into Integrated Software?" *Bankers Monthly* **105 (March 1988): 35-39.**

Latta, Cynthia and Alan Siqueira. "Forecast Detail/Depository Institutions." *Review of U.S. Economy* **(February 1989): 114-17.**

Lawrence, David B. and Thomas G. Watkins. "Rural Banking Markets and Holding Company Entry." *Journal of Economics and Business* **38 (May 1986): 123-130.**

McLaughlin, Mary M. and Martin H. Wolfson. "The Profitability of Insured Commercial Banks in 1987." *Federal Reserve Bulletin* **74 (July 1988): 403-418.**

McNulty, James E. "Measuring Interest Rate Risk: What Do We Really Know?" *Journal of Retail Banking* **8 (Spring/Summer 1986): 49-58.** This article illustrates how interest rate risk is measured using gap analysis and duration analysis, explains the strengths and weaknesses of each approach and discusses the relationship between the two approaches. The author finds that each method of analysis provides information that is not found in the other approach. He concludes that the two methods should not be viewed as competing, but should be used as complementary approaches to interest rate risk management.

Melichar, Emanuel. "Agricultural Banks Under Stress." *Federal Reserve Bulletin* **72 (July 1986): 437-448.** Using tables, graphs and equations, the author discusses the problems facing agricultural banks in the mid 1980s. Agricultural banks, characterized as banks with a ratio of farm loans to total loans above the simple average of such ratios at all banks (about 16 percent at the end of 1985), prospered during 1970s but became stressed early in the 1980s.

Problems at the agricultural banks resulted mainly from adverse loan experience. The author finds that rising delinquency rates on loans of farm banks were the leading indicator of vulnerability and failure. Most of the banks that failed could earlier have been found among those banks that reported relatively large amounts of delinquent loans.

The author's study shows that the agricultural banks that failed were typically small banks, and that their failure tended to affect only the immediate community. Since agricultural banks account for only a small share of total banking resources, the author does not feel that their problems pose a significant threat to the banking system.

"Merging Commercial and Investment Banking." In *Proceedings of a Conference on Bank Structure and Competition.* **Chicago, IL: Federal Reserve Bank of Chicago, May 1987.** The theme of this 1987 conference was the merging of commercial and investment banking. In the course of the conference, papers were presented dealing with small banks. These papers addressed problems facing the small bank, and the benefits of expanded banking powers for the community banks.

Metzker, Paul F. "Future Payments System Technology: Can Small Financial Institutions Compete?" *Federal Reserve Bank of Atlanta Economic Review* **67 (November 1982): 58-66.**

Milkove, Daniel L., and David B. Weisblat. *The Effects of the Competitive Structure of Financial Institutions on Rural Bank Performance and Economic Growth.* **Economic Development Division, Report No. AGES-828226. Washington, DC: U.S. Department of Agriculture, 1982.** The authors look at the role that commercial banks and other types of financial institutions play in promoting economic growth at the local level. In particular, they are interested in determining if a significant relationship exists between competition among financial institutions and economic growth at the local level. The unit of analysis for their study is 220 nonmetropolitan counties located in five unit banking states which experienced significant economic growth during the 1973-77 period.

The results of their work indicates that the employment growth between 1973-77 in the 220 nonmetropolitan counties studied could not be explained by either the competitive structure of the local financial markets or the loan-to-deposit ratios of the commercial banks. Thus, no direct evidence was found to support the idea that the competitive structure of the market affects economic growth.

The study did support the hypothesis that bank performance (loan-to-deposit ratio/profitability) is affected by the degree of local financial competition. Banks in more competitive markets did have higher loan-to-deposit ratios and lower net income-to asset rations. The authors feel, though, that more work is needed to adequately define, measure and explain those elements of bank performance that may effect local economic growth.

Morris, Charles S. "Managing Interest Rate Risk with Interest Rate Futures." *Federal Reserve Bank of Kansas City Economic Review* **74 (March 1989): 3-20.** This article defines interest rate risk, and explains the costs and benefits to banks and thrift institutions of using financial futures to hedge against interest rate fluctuations. The author discusses some of the risks involved in using interest rate futures, and cautions that banks need to be aware of these hazards and must thoroughly understand the techniques prior to using a hedging strategy.

Morris, Charles and Mark Drabenstott. "Financing Rural Businesses: What Role for Public Policy?" *Federal Reserve Bank of Kansas City Economic Review* **74 (September/October 1989): 30-45.** The two authors find that rural financial markets changed dramatically during the 1980s. The most important change in these markets is the fact that rural commercial bank loans grew much more slowly than in the 1970s, and much more slowly than loans at metropolitan banks.

The authors' study covered 729 metropolitan counties and 2,238 nonmetropolitan counties, and analyzed data on real income and commercial bank loans, assets and loan-asset ratios in both types of counties for the periods 1972-1979 and 1980-1987. In the nonmetropolitan counties total loans at rural banks grew an average of 12.7 percent a year in the 1970s, but slowed to 5.3 percent in the 1980s. Metropolitan bank loans had a steady growth of almost 10.0 percent throughout both decades.

Why did the growth of credit in the rural areas slow in the 1980s? The authors show, through empirical analysis, that this slowdown mainly resulted from weak business conditions and changing demographics, rather than from reluctance on the part of rural commercial banks to make loans.

Since rural credit growth did not slow because lenders are less willing to lend, the authors conclude that expensive new government credit programs should be avoided. In their place, the authors suggest low-cost programs that overcome problems in rural financial markets. Following this low-cost approach, Morris and Drabenstott feel that three areas appear to be most promising: secondary markets for rural business loans, technical assistance programs and venture capital programs.

Nadler, Paul S. "Independents Can Indeed Survive in a World of Giants." *American Banker* **(August 15, 1983): 4-16.** Nadler feels that small and independent banks can survive in a world of giant banking organizations. Even though he presents no direct statistical evidence to support his hypothesis, he feels that there is no proof of significant economies of scale in banking. He does not feel that size is required to find profitable outlets for funds, or that being a giant sized bank eases problems. In fact, he feels that large banks often lose control over costs and end up earning less than smaller banks. He states that some of the greatest recent successes in banking have been found among new organizations that have stressed customer service, new ideas and have ignored many of the traditional operations of banks.

Nadler, Paul S. "Why Do Small Banks Fear Invading Giants?" *American Banker* **(July 9, 1984).**

Nadler, Paul S. "Implications of Securitization for the Community Bank." *The Journal of Commercial Bank Lending* **70 (November 1987): 19-25.**

Nejezchleb, Lynn A. "Declining Profitability at Small Commercial Banks: A Temporary Development or a Secular Trend?" *Banking and Economic Review* **4 (June 1986): 9-21.** Lynn Nejezchleb's study investigates the profitability of small banks (defined as banks with under $100 million in assets) during the period 1981 through 1985. During the period under investigation, the ROA (return on assets) at small banks fell from 1.15 in 1981 to 0.57 in 1985.

The author does not feel that deregulation was the major factor contributing to the declining profitability of small banks. The declining profitability was largely due to increases in loan-loss provisions.

Nejezchleb points out that the loan-quality and profitability problems varied a great deal from one geographical region to another, with the bulk of small-bank difficulties being in regions where there were problems in the agricultural and energy industries. For example, small banks in the eastern states did not have a significant change in profit performance between 1981 and 1985, while banks in the midsection of the country had a marked change in their performance. Small banks in Illinois saw their ROA decline from a range of 0.75 - 1.00 in 1981, to 0.50 - 0.75 by 1985.

Oliver, John E. "Organizational Development in a Rural Bank." *Independent Banker* **32 (February 1982): 17-20.**

Olson, Thomas H. "Small Banks Squeezed: Keep Operating Costs Down." *Mid-Continent Banker (Northern Edition)* **82 (September 1986): 31.** Community bank earnings have been squeezed due to interest rate deregulation and the heavy commitment to smaller business customers that are experiencing depressed earnings. To keep earning at respectable levels, the author offers the following suggestions: 1. Keep operating costs down; 2. development new and different products; 3. diversify assets and spread risk; and 4. replenish the capital base.

Phillis, Dave and Christine Pavel. "Interstate Banking Game Plans: Implications for the Midwest." *Federal Reserve Bank of Chicago Economic Perspective* **10 (March/April 1986): 23-39.**

Radermecher, Nancy. "A Declaration of Independence: Attorney Urges Small Bankers to Assert Their Rights in Battles Against Regulators." *Commercial West* **167 (July 13, 1985): 6-8.**

Rau, John. "Putting the Squeeze on Small Banks." *The Wall Street Journal,* **November 15, 1985.**

Rhoades, Stephen A., and Donald T. Savage. "Can Small Banks Compete?" *Bankers Magazine,* **164 (January/February 1981): 59-65.**

Richards, Pierre E. "Personal Financial Planning: A New Market May Hold Profit for Smaller Banks." *Trusts and Estates* **122 (November 1983): 56-58.**

Rose, Stanford. "Small Banks Recover; Big Banks Languish." *American Banker* **(February 9, 1988), 1-4.**

Savage, Donald T., and Elaine J. Peterson. "Interstate Banking Developments." *Federal Reserve Bulletin* **73 (February 1987), 79-92.**

Shaffer, Sherrill. "Challenges to Small Banks' Survival." *Federal Reserve Bank of Philadelphia Business Review* **(September/October 1989): 15-27.** It is conceivable that several thousand of the nation's small banks (defined as banks with assets of $0-25 million and $25-50 million) could either fail or be purchased by larger banks over the next 10 years. Statistical estimates of banking cost functions, actual performance data and failure rates are used to arrive at these conclusions.

The author cites numerous cost studies on economies of scale in banking that find a minimum efficient size (total assets at least $50 million) exists for the typical bank. A bank below that minimum size faces higher average costs than a larger bank and is therefore less able to compete effectively in an increasingly competitive marketplace. Possibly, as many as half of the nation's commercial banks may be under financial pressure due to inefficiencies of small size.

In addition to cost studies, the author looks at failure rates and actual performance data for various sized banks during the period 1984-1988. These data, the author points out, bear out the concerns expressed by the cost studies for the survival of the small bank.

While a rather grim picture is painted for the nation's small banks, there are steps that they can take to try and enhance their chances of survival. The author suggests that the small bank find a specialized and profitable market niche. This strategy can work if the small bank can identify a subset of banking services where the bank is not at a cost disadvantage and concentrate its efforts in this area(s). Even if the small bank can not reduce costs through specialization, specialization can still be beneficial if the bank can attract customers that are willing to pay a premium for the specialized and personalized service of the small bank.

In addition to specialization, there are other steps the small bank must take to survive. It must become familiar with and take advantage of new technology, new financial developments and third-party vendors for some services. These steps can allow the small bank to reduce costs and/or risks and compete with the larger institutions.

Short, Eugenie D. "Bank Problems and Financial Safety Nets." *Federal Reserve Bank of Dallas Economic Review* **(March 1987): 17-28.**

Silber, William L. "The Process of Financial Innovation." *American Economic Review* **73 (May 1983): 89-95.**

Silverman, Murray. "A Smaller Bank's Approach to Diversification." *Bankers Magazine,* **171 (March/April 1988): 16-20.**

Simons, Katerina. "Measuring Credit Risk in Interest Rate Swaps." *Federal Reserve Bank of Boston New England Economic Review* **(November/December 1989): 29-38.**

Slothower, Dan. "The New Perils of Agricultural Banking." *Commercial West* **167 (January 1985): 10-11.** The crisis in the agricultural sector has resulted in a great deal of negative feelings towards the local banker. Steps seen by the author that bankers can take to help alleviate the crisis and build a positive image include: 1. terminate relationships with highly leveraged borrowers that can not succeed; 2. provide one-on-one financial planning assistance; 3. teach financial management and marketing skills; and 4. help the farmer deal with the stress of the situation and know when to refer the problem to someone else.

Slothower, Dan. "Technology in Banking: Benefits of Microtechnology Often Depend on Bank Size." *Commercial West* **167 (June 1, 1985): 10.**

Taylor, Jeremy F. *"The Banking System in Troubled Times: New Issues of Stability and Continuity.* **Westport, CT: Quorum Books, 1989.**

Theobald, Walter J. "The Effects of Hedging by Farm Borrowers on the Income and Portfolio of the Rural Bank.", Ph.D. dissertation, University of Illinois at Urbana-Champaign, 1983. Futures trading is viewed by an increasing number of farmers as a method to transfer price risk from themselves to others. It has been suggested that lenders stand to share in the benefits of borrower's hedging by either reducing the lender's risk of loss, or by being more liberal in their lending policies without increasing risk.

The author developed linear programming models to simulate the economic behavior of a rural bank given the assumptions, resources and limitations experienced by the bank. The dissertation investigated the lender's legal and operational policy constraints as well as determined the effects on portfolio composition and profitability of additional lending for margin requirements.

The author's analysis demonstrates that the reduction of price risk to the farmer through futures trading transfers uncertainty into the lender's portfolio under the "worst case scenario." The rural bank experiences portfolio alternatives, income reduction and increased portfolio stress that it would not otherwise undergo without borrower hedging.

Wall, Larry D. "Why Are Some Banks More Profitable." *Federal Reserve Bank of Atlanta Economic Review* **68 (September 1983): 42-49.**

Wall, Larry. "Why Are Some Banks More Profitable Than Others?" *Journal of Bank Research* **15 (Winter 1985): 240-56.**

Wall, Larry D. and John J. Pringle. "Interest Rate Swaps: A Review of the Issues." *Federal Reserve Bank of Atlanta Economic Review* **73 (November/December 1988): 22-37.**

Watro, Paul R. "Have the Characteristics of High-Earning Banks Changed? Evidence From Ohio." *Federal Reserve Bank of Cleveland Economic Commentary* **(September 1, 1989).**

Whalen, Gary. "Competition and Bank Profitability: Recent Evidence." *Federal Reserve Bank of Cleveland Economic Commentary* **(November 1, 1986).**

Whalen, Gary. "Actual Competition, Potential Competition, and Bank Profitability in Rural Markets." *Federal Reserve Bank of Cleveland Economic Review* **(Third Quarter 1988): 14-23.** In this study, Gary Whalen investigates the relationship between bank profitability and both actual and potential competition. His sample consists of 159 single-market banks (defined as banks with all offices located within their home office county) in non-MSA Ohio counties at the end of 1981. His analysis uses both ordinary least squares and two-stage least squares regression.

The results of his analysis suggest that non-MSA banking markets are contestable. Potential competition appears to have a significant influence on incumbent banks' performance. He points out, though, that it is unclear whether the consolidation taking place in banking has substantially lessened competition, given the simultaneous reductions in barriers to market entry.

Whalen, Gary. "Predicting De Novo Branch Entry Into Rural Markets." Federal Reserve Bank of Cleveland Working Paper No. 8903 (March 1989). In this working paper, the author used a logit model to explain the probability of de novo branch entry into rural banking markets in Ohio and Pennsylvania from 1980 to 1984. The author's key assumption is that the intensity of potential competition in any local market is directly related to the threat of de novo entry. The results of the study lead the author to the conclusion that it is possible to produce relatively accurate estimates of potential competition moving into rural markets using a relatively low cost method of analysis.

Whitehead, David D. "Interstate Banking: Taking Inventory." *Federal Reserve Bank of Atlanta Economic Review* **68 (May, 1983): 4-20.** This article presents an inventory of interstate offices operated by banking organizations. An up-date of this information is done by B. Frank King, Sheila L. Tschinkel, and David B. Whitehead in the bank's May/June 1989 issue of the **Economic Review**.

Whittaker, J. Gregg. "Interest Rate Swaps: Risk and Regulation." *Federal Reserve Bank of Kansas City Economic Review* **72 (March 1987): 3-13.** Whittaker defines an interest rate swap, looks at reasons for using swaps and describes how they work. He points out that when banks act as intermediaries in an interest rate swap they are exposed to two types of risk: price risk and credit risk. The author discusses price and credit risk and explains how they are managed by banks. Regulatory issues and proposals concerning swaps are also reviewed.

Wolfson, Martin H. and Mary M. McLaughlin. "Recent Developments in the Profitability and Lending Practices of Commercial Banks." *Federal Reserve Bulletin* **75 (July 1989): 461-484.**

Zimmerman, Gary C. "Small California Banks Hold Their Own." *Federal Reserve Bank of San Francisco FRBSF Weekly Letter* **(January 26, 1990).**

Zuckerman, Sam. "Small Banks Get Edge on Majors in Silicon Valley." *American Banker* **(September 11, 1989).**

RURAL ECONOMIC DEVELOPMENT

Warren Jones and Kathleen J. Myers
Western Illinois University

Economic development requires expertise from, although not limited to, the disciplines of economics, sociology, geography, public administration, transportation, and political science. Each of these disciplines contributes different theories, methods of analysis, and statistical techniques that may be brought to bear on the problem of economic development. This diversity is a reflection of the many, complex issues involved in economic development and has led to a diverse and extensive literature. The purpose of this preface is to outline the major areas addressed in the literature and to cite a relevant contribution to each topic.

One issue that is unresolved is the definition of rural which may vary considerably from study to study. This reflects the diversity of socioeconomic conditions that exist in the communities that make up rural America. Given this diversity, it is not surprising that no single characteristic is adequate to describe all rural communities. Attempts to classify rural American counties for the purpose of directing economic development policies have found that each group of counties is defined by a different mix of characteristics (Kuehn and Bender, 1985). This diversity suggests that no single policy or group of policies will foster economic development in all areas. What is necessary is that each local unit must assess its own needs and strengths in designing its own strategy for economic development (Malizia, 1986)

What constitutes economic development is also the subject of continuing discussion. Indeed, one of the treads running through the literature is the contrast between development *of* and development *in* the community. From the sociological viewpoint, improving the quality of life in the community, not just the number of jobs and level of income, is the objective of economic development. From a development specialist's viewpoint, quality of life is also important in attracting employers to enhance job opportunities and income (Hart and Dennison, 1987). The difference in viewpoint is indicative of the dilemma facing some rural areas. Economic development activity is undertaken because of the need to raise the quality of life, but the quality of life must be raised before the economic development activity can succeed. What can be done when the existing quality of life is inhibiting development is an unresolved issue. However, the problem has been noted and at least one solution proposed (Drabenstott, Henry, and Gibson, 1987).

Both academics and development specialists acknowledge that development does not come from the top down but from the bottom up (Lloyd and Wilkinson, 1985; Malizia ,1986). The initiative must be from the community with support from the higher levels of government (Dewitt 1988). The importance of community activeness and solidarity is repeatedly mentioned to be of importance in successful economic development. The topic of developing community leadership and solidarity would seem to be a topic deserving of further research (Peters, 1988).

Given the complexity of economic development and the limited local resources (Gold and Erickson, 1989; Hite and Ulbrich 1986), it is not surprising that the literature has recognized and discussed the need for administrative and technical training for local development specialists (Seroka, 1990). As will be discussed later, the tools required for successful selection and implementation of development strategies requires extensive skills. Increasing sophistication in input-output analysis, economic base studies, and shift-share analysis will continue to lead to more research on how do deliver expertise to rural development specialists.

The delivery of the administrative and technical skills has been addressed but not in terms of an integrated system. Recently, universities have become more involved in economic development which has led to research on the programs they offer (Dunn and Whorton, 1987). Discussions of state development efforts have cataloged the existing delivery programs (Fosler, 1988). Surprisingly little attention has been devoted to telecommunications as a delivery mechanism to determine potential applications and effectiveness. Satellite uplinks are widely distributed in some states and allow interaction with groups spread out over wide geographic areas. This technology will no doubt receive extensive treatment in the future.

Delivery of skills to local specialists raises the general issue of the proper relationship between federal, state, and local economic development efforts. Some propose a national industrial policy with centralized direction of a highly coordinated system operating through state and local governments (Bahl, 1986). Other proposals have been reported and described in some detail (Goldstein and Bergman, 1986). The benefits of regional level development policies have been discussed as well (Smith 1988). The literature in this area is likely to grow in the future.

The existing relationship between national, state, and local economic development agencies has generated interest. Some work has been highly critical of the existing structure (Beaumont and Hovey 1985). The financial aid going for state to local economic development efforts has been examined (Gold and Erickson, 1989). The role of the new federalism has been discussed (Chicoine, 1988; Hawkins and Smith 1987). Since institutional and financial aid patterns are constantly changing, descriptions and analysis of these patterns will continue.

A developing research area that is certain to receive even more attention in the future addresses the question of effectiveness of economic development efforts. Within this subject area there are two issues. The first issue is whether economic development activity in the community raises community welfare at the expense of society as a whole. The other issue is whether economic development is even effective in raising the community's welfare. The research here has been both at the theoretical and applied level.

The question of whether economic development can raise society's welfare at the theoretical level attempts to describe, in abstract terms, the conditions under which economic development activities contribute to society's overall welfare (Baum 1987). This area may become one of lively debate in the future, especially as researchers attempt to test their theories empirically.

Effectiveness of economic development in terms of raising the communities welfare is usually discussed in terms of attracting firms which increase employment and income. There has been some theoretical work but most is applied (Drazen and Eckstein, 1988). The applied work has been directed to estimating the cost of creating jobs (Howland 1990). Even federal development programs have been evaluated for effectiveness (Bickford, Clapp, and Vehorn, 1986). Work in this area seems very likely to continue as it addresses critical issues, especially in times of tight budgets.

The tools for implementing economic development have not been extensively researched in terms of cost effectiveness. This reflects the difficulty in collecting the required data, although researchers have shown considerable ingenuity in utilizing available information. This is not to say that both academics and specialists have not reached conclusions about some methods of attracting business. Tax abatements, credits, and cash give-aways are not highly regarded (Ady, 1987). Indeed, there are studies that show that taxes themselves are not all that is important but the manner in which they are spent (Helms, 1985). One study centered on Illinois reported that only eleven percent of cities used property tax abatement which would indicate that they are falling out of favor (Rubin and Rubin, 1987). The effectiveness of incubators has been examined (Nijkamp, Mark, and Alster, 1986). The evidence for the effectiveness of infrastructure improvements, used by over 25 percent of Illinois cities, is mixed. One study has concluded that infrastructure improvements have no impact (Costs, Ellson, and Martin, 1987). Another study suggests the matter is more complex (Rietveld, 1989). Research in this area is likely to assume greater importance, given the importance of the effectiveness of tools in designing development strategies.

Tools must be properly targeted to be effective. This has also been, and will continue to be, an important topic of discussion and research. Proper targeting is important both in terms of whether jobs are attracted and in terms of whether the development effort is cost effective. The list of potential target industries is large. With the diversity in characteristics of rural communities and the cost of targeting, not every type of firm is a viable target. Target industry studies have been and will be important topics of research (Boyle, 1986). Certain types of firms have been suggested as possible targets and the literature has examined them in some detail. Small firms have been popular for some time (Fischer and Nijkamp, 1986). Service industries are sometimes suggested as targets (Smith 1985). However, some research is unfavorable to targeting service industries (Bender, 1987). High-technology firms have become one of the primary new targets (Barkley, 1988; Miller, 1989). Greater economic development by attracting foreign investment has been suggested (O'Huallachain, 1986). A study of plant closings in Illinois has suggested that independent plants or headquarters as opposed to branch plants should be targeted (Howland, 1988).Tourism is also a very popular target with the literature covering topics from empirical analyses of effectiveness in job creation to case studies (Kottke, 1988; Ipson, 1989).

Analytical tools have become increasingly common. There is no doubt that there will be growing sophistication in economic base models, shift-share models, and input-output models. Extensions of older models have been common in both the theoretical and empirical work. A theoretical basis for shift-share analysis has been offered (Casler, 1989). Numerous extensions of the input-output framework have and will be offered (Jensen, West, and Hewings, 1988). As the number of operational models multiplies and they become commercially available, more comparisons of their ease of use, flexibility, and cost will appear (Brucker, Hastings, and Latham, 1986).

Not all of the research related to economic development has been of the process itself but provides overviews and insights into the problems economic development attempts to address in rural America. These studies have focused on changes in population (Albrecht, 1986), changes in income (Pulver and Rogers, 1986), rural poverty (Duncan and Tickamyer, 1988), and labor force participation rates (Ollenburger, Grana, and Moore, 1989).

Of the causes of rural problems that have been addressed, some are well known and others not so well known. The agricultural crisis is among the well known problems and shows the weaknesses in parts of rural America (Doeksen 1987). The adverse impact of large scale farming on the quality of rural life has been reinvestigated and will be in the future (Green, 1985). A study of cyclical unemployment indicates that rural areas may suffer more because there economic base had less manufacturing and construction (Brown and Pheasant, 1987).

The literature related to economic development in rural areas has been growing and will continue to grow. Techniques adapted to studying urban development will continue to be adapted to the study of rural development. As the literature grows it will be more critical to communicate findings to the local development officials. This will take innovation, coordination, and cooperation.

The materials annotated here are readily available. They can either be found in the libraries of Illinois state universities or through the interlibrary loan system. The author wishes to thank Booi Themeli for his hard work in gathering these materials and verifying their availability.

Ady, Robert A. "Emerging Trends in Economic Development." *Economic Development Review* **5 (Spring 1987): 7-9.** A short article identifying seven continuing trends having significant impacts on economic development. These are: continuing shift in employment from manufacturing to service, increasing requirements for skilled labor, emerging labor shortages, declining union influence, increasing global linkages, business climate studies, and increased government involvement in economic development. Of particular interest is that four of the trends involve labor supply in one dimension or another. Notes that foreign investment zones, joint venturing, and licensing agreements are increasingly important given the continuing development of international linkages and that successful developers will have to become familiar with these tools. The discussion of business climate studies is brief but negative. Likewise, the author is very negative in his assessment of tax abatements, credits, and cash give-aways. Instead the author favors additional government involvement but directed at participation in solicitation, enterprise zones, venture capital funds, and incubator facilities.

Albrecht, Don E. "Agricultural Dependence and the Population Turnaround: Evidence From the Great Plains." *Journal of the Community Development Society* **17 (1986): 1-15.** Human ecology theory is applied to the analysis of the rural population boom of the 1970s. The analysis focuses on 294 non-metropolitan counties in the states of Colorado, Kansas, Nebraska, New Mexico, Oklahoma, South Dakota, Texas, and Wyoming for the period 1940 to 1980. A path model was estimated for each of the four decades. Agricultural dependence is negatively affected by the size of the largest city in the county for all four decades. In the last two decades, adjacency to metropolitan areas has also negatively affected agricultural dependency. None of the predetermined variables, size of largest city, adjacency to metropolitan areas, manufacturing employment, or agricultural dependency has been a significant factor in all four decades. In the decade 1970-80, however, adjacency to a metropolitan area and agricultural dependency have both been negative factors in population change. A brief descriptive analysis for the four decades indicates, that over the four decades, population growth has not taken place in many of the heavily agriculturally dependent counties. The evidence indicates that counties heavily dependent on agricultural will remain likely to experience population declines and suggest that efforts should be directed to expanding the economic base.

Atkinson, Robert. "State Technology Development Programs." *Economic Development Review* **6 (Spring 1988): 29-33.** A description and summary of state policies to stimulate technological innovation based on a survey by the author for the National Association of State Development Agencies. The descriptions are of six categories of programs which stimulate research, support capital acquisition, assist management, introduce technology into firms, train labor, and develop policy. A summary of efforts section identifies Illinois as in the lower half of all states in terms of per capita expenditures on technology programs. In terms of program types, university research centers are far and away the most important, accounting for 41.9 percent of technology expenditures. If university research grants are included, accounting for another 12.9 percent of total expenditures, the percentage of university directed technological activities increases to 54.8 percent.

Bahl, Roy. "Industrial Policy and the States: How Will They Pay." *Journal of the American Planning Association* **52 (Summer 1986): 310-318.** A discussion of the financial considerations for state and local governments of the proposals for a national industrial policy. Concise summary matching objectives with strategies and government financial involvement in an industrial policy. Argues that with or without a national industrial policy that state and local governments will be heavily involved. Favors a nationally coordinated industrial policy rather than a decentralized system where each state conducts its own policies arguing that decentralized efforts lead to duplication in efforts and a waste of resources. Notes that the financial burdens will be heavy and that industrial attraction strategies will cause a shift away from income and business property taxes to sales taxes, residential property taxes and user charges which will tend to be regressive.

Ballard, Patricia L., and Glenn V. Fuguitt. "The Changing Small Town Settlement Structure in the United States, 1900-1980". *Rural Sociology* **50 (Spring 1985): 99-113.**This study examines interdecade growth of U.S. nonmetropolitan areas, grouped by initial size and location for each decade since 1900. Four periods of growth were shown: 1900-1930, continuous rural settlement; 1930-1940, depressed urban growth; 1940-1960, suburbanization and rural decline; and 1960-1980, deconcentration and village revival. Except for the depression decade, up until the 1960s, the results are consistent with predictions based on classic theories of population change in the urban hierarchy. A positive correlation between initial size and growth was shown. The effects of the depression decade and the convergence and turnaround of 1960-1980 are not explained in this framework, but findings indicate that changes during the Depression could be considered a short-term secular effect while the greater convergence of all rates after 1960 appears to be a new era for nonmetropolitan settlement.

Barkley, David L., and Peter E. Helander. "Commercial Bank Loans and Nonmetropolitan Economic Activity: A Question of Causality." *The Review of Regional Studies* **15 (Winter 1985) 26-32.** An application of the Granger and Sims tests of causality to loan and retail sales data. The data is for 27 nonmetropolitan Arizona communities for the period 1975-80. The study concludes that loans do not lead retail sales but that the opposite is true. An explanation is that banks favor short or intermediate term lending activities relative to long-term investments.

Barkley, David L. "The Decentralization of High-Technology Manufacturing to Non-Metropolitan Areas." *Growth and Change* **19 (Winter 1988):13-30.** This study begins with a brief overview of how product life-cycle theory predicts that as high technology industries mature, they will disperse to smaller metropolitan and nonmetropolitan areas. The activities that disperse in this mature stage, however, will be those that are low-skill and routine. Using the shift component of shift-share analysis, the dispersion of high tech employment during the period 1972 to 1982 is examined. The employment shifts to nonmetropolitan counties were examined in terms of county size, proximity to metropolitan counties, and census regions. While over 13,000 jobs in high technology industries shifted from metropolitan to nonmetropolitan counties, there was considerable variation across regions. Also, the stage of product life-cycle and type of industry were important. Chemical and nonelectrical manufacturing dominated the employment shifts to rural areas and tended to be in the mature stages of their product life-cycles. Only rural areas in New England and the Pacific regions enjoyed employment growth from innovative (early product life-cycle) industries. While the study suggests that there will be further shifts to rural areas as the industries mature, they caution against over reliance on attracting this group of firms. They note that these firms still account for less than one-fourth the nation's employment and that innovative firms are likely to remain in metropolitan areas.

Barkley, Paul W. "The Effects of Deregulation on Rural Communities." *American Journal of Agricultural Economics* **50 (December 1988): 1091-99.** Discusses the effects of deregulation in rail transport, trucking, telecommunications, financial institutions, and natural gas. Notes the difficulty of reaching conclusions and translating knowledge of effects into policy actions.

Barlett, Peggy. "Qualitative Methods in Rural Studies: Basic Principles." *The Rural Sociologist* **10 (Spring 1990): 3-14.** This article notes that a number of disciplines are involved the research into rural issues and that this research is increasingly intertwined. Seven basic principles for rural research are set forth. Cultures are interrelated wholes which implies that researchers do not always know in the beginning what questions to ask. This points out the importance of prior research such as observation or interviews. There are variations in abilities to communicate culture. The articulateness of the representative does not necessarily reflect the completeness of the views expressed. Constraints on behavior may be conscious or unconscious to the individuals in a group. Current family socioeconomic status is the result of a historical process and variations among groups can be expected. A household has disparate goals and approaches to problem solving. From these considerations, the author suggests that researchers should be prepared to redo data collection in light of new information, re-explore the same question several times, be extremely careful in data organization and record keeping, and communicate carefully. While more directly related to family or small group research, the observations are applicable to other research situations.

Barnekov, Timothy., and Daniel Rich. "Privatism and the Limits of Local Economic Development." *Urban Affairs Quarterly* **25 (December 1989): 212-38.** The focus of this study is on urban economic development. A list of limitations on local development of the past two decades is developed. Is critical of privatism as the sole engine of urban development.

Batie, Sandra S. "Political Economy of Rural Development: Discussion." *American Journal of Agricultural Economics* **50 (December 1988): 1097-99.** A discussion of three articles in the same issue by Barkley, Chicoine, and Jahr.

Baum, Donald N. "The Economic Effects of State and Local Business Incentives." *Land Economics* **63 (November 1987): 348-360.** An analytical as opposed to an empirical study directed to investigating the economic rationale for business subsidies. A simple neoclassical model is first analyzed to show the potential negative impacts of subsidies on welfare in a perfect world. The model is then expanded to analyze the implications of imperfections in the economy. The conclusions are that local subsidies may be desirable in some circumstances but not in others.

Beaulieu, Lionel J. *The Rural South in Crisis: Challenges for the Future.* **Boulder, CO: Westview Press, Inc., 1988.** This book includes twenty four chapters with a focus on the rural south. Topic areas are the agricultural crisis, socioeconomic issues, agricultural and rural development policies, and opportunities for revitalization.

Beaumont, Enid F., and Harold Hovey. "State, Local, and Federal Economic Development Policies: New Federal Patterns, Chaos, or What?" *Public Administration Review* **45 (March/April 1985): 327-32.** A critique of the lack of coordination between the various levels of government and aspects of the competition for firms between localities. A good summary of criticisms by a number of academics and practitioners. Suggest the need for a national policy to complement state and local efforts.

Bender, Lloyd D. "The Role of Services in Economic Development." *Land Economics* **63 (February 1987): 62-71.** This article challenges the recently developed perspective that the service sector can act as an engine of rural economic growth. There is a good review of both the traditional and new perspectives on services as the basis for rural development. While employment in services in rural areas have increased, the increase may be because of a decline in service wages and an increase in derived demand for services because of an increase in non-wage income flowing into rural areas. It is argued that this alternative explanation should provide a cautionary note to rural developers. It may be that in the future, more income per service worker will be required in rural areas to maintain service employment and that the growth of the seventies may be replaced by decline. However, the paper also suggests that some rural communities may still benefit from future growth in services both because goods-producing activities continue to grow in rural areas and that income unrelated to employment may grow in these areas. In particular, developing the attributes that attract retirees who bring nonemployment income into the rural area would still appear to be an attractive rural development option.

Bergland, Bob. "Rural America: Policy Alternatives and Strategies". *NRECA Management Quarterly* **(Winter 1988-89): 7-12.** A speech by Bob Bergland, NRECA's Executive Vice President and General Manager, in which he outlined the issues most pertinent to the welfare of Rural America. He also discusses options that will ensure that rural America won't trail behind the rest of the nation. Options include access to reasonably priced and reliable transportation, improved telecommunications, availability of capital, access to technological advance, and improved retraining and education.

Berman, David R., and Lawrence L. Martin. "State-Local Relations: An Examination of Local Discretion". *Public Administration Review* **48 (March/April 1988) 637-641.** Explores the utility of indices of local discretionary authority by Joseph F. Zimmerman. Although the general indices for city and county government should be used with caution because of problems associated with weighting and aggregation bias, this study indicates that a breakdown of the indices for local discretions for cities and counties into four dimensions of local discretionary authority (financial, functional, personnel, and structural) is quite useful. The interrelationships among these dimensions and how each relates to variables that affect grants for discretion also reveal valuable information.

Bickford, Deborah J., John M. Clapp, and Charles L. Vehorn. "Effects of Federal Economic Development Programs." *Growth and Change* **17 (January 1986): 1-16.** This study presents an econometric model which is used to estimate the marginal effects of federal development programs for different regions. The dependent variable is annual percentage change in employment. The explanatory variables are annual percentage change in relative wages, national employment growth for each industry, socioeconomic factors, and federal development policy variables. The federal development policy variables include grants, direct loans, and loan guarantees. Estimation is for the period 1974-78 with equations estimated separately for each industry and each region. Results are mixed. Impact multipliers for direct loans and loan guarantees are rarely significant. This may reflect long lead times for effectiveness of such policies or that these are really subsidies to firms that already exist. Grants , expressly directed to create new jobs, do have a positive impact on employment but this impact differs between regions and industries. Other results suggest that grants have the largest effects in low growth states which they suggest may reflect the availability of labor relative to high growth states. When examined by industry, grants have their greatest impact on the manufacturing sector. Since general business conditions have such a great impact in this sector, they argue that the assistance may have been effective because the sector was growing due to other influences. They do not find that the construction industry benefits greatly from development grants, the opposite of conventional wisdom. They note that construction growth in response to changes in general business conditions was also relatively low.

Bockstael, Nancy E., Ivar E. Strand, Jr., Kenneth E. McConnell, and Firuzeh Arsanjani. "Sample Selection Bias in the Estimation of Recreation Demand Functions: An Application to Sportfishing." *Land Economics* **66 (February 1990): 40-9.** A technical article presenting three methods for correcting for sample selection bias. The three models derived and discussed are Tobit, Heckman, and Cragg. For further comparison, an ordinary least squares procedure is applied to the data. The estimates from the four models vary widely. While the results would not necessarily be applicable to other data sets the authors prefer the Cragg and Tobit models.

Borich P. "Revitalizing Rural America: A National Priority Initiative. *Rural Development News* **12 (July 1988): 9-11.** Discusses six critical issues for the economic development of rural communities: economic competitiveness; rural dependency and diversification ; local services and resources; potential, economic and social change; community leadership; and natural resource base.

Borich, Timothy O., James R. Steward, and Harlowe Hatle. The Impact of the Regional Mall on Rural Main Street". *The Rural Sociologist* **5 (1985): 6-9.** Discusses the impact of a regional mall built in Sioux City, Iowa upon retail sales in four contiguous counties. While Woodbury county (where the mall is located) generated an additional $40 million in 1980, the survival of the communities nearby was threatened.

Boulton, Roger. "Regional Econometric Models." *Journal of Regional Science* **25 (November 1985): 495-520.** A review of regional econometric models for the nonspecialist in regional modeling. The models selected are large operational models of single regions. Shift-share and economic base models are not included. The discussion covers the general structure of regional models, specific models, key variables, and econometric methods.

Boyle, M. Ross. "Refining the Target Industry Study for Today's and Tomorrow's Economy." Economic Development Quarterly **4 (Winter 1986): 7-9.** A brief discussion of the target industry process with a discussion of the impacts of globalization, technology. and deregulation on the results of such studies. The article also provides brief discussions of demographic changes in each region of the country.

Brown, Deborah J., and James Pheasant. "Sources of Cyclical Unemployment Instability in Rural Areas." *American Journal of Agricultural Economics* **69 (November 1987): 819-27.** From earlier state level studies, it has been concluded that the higher the percentage of workers in nonmanufacturing the lower the unemployment rate during a recession. Since rural areas have a high percentage of nonmanufacturing workers the conclusion was that they should exhibit more employment stability. This conclusion is tested using monthly, county level employment data from Indiana. The basic methodology is from portfolio theory. The results indicate a positive relationship between cyclical instability and the percentage of rural population. The greater cyclical instability is attributed to the lower proportion of employment in the manufacturing and construction sectors.

Brucker, Sharon M., Steve E. Hastings, and William R. Latham, III. "Regional Input-Output Analysis: A Comparison of Five "Ready-Made" Model Systems." *The Review of Regional Studies* **17 (Spring 1987): 1-16.** A detailed comparison of five regional input-output models available on the market. The characteristics evaluated are flexibility of use, clarity of descriptions, believability, and costs. Models included in the study are ADOTMATR, IMPLAN, RIMS II, RSRI, and SCHAFFER.

Burns, Leland S. "Regional Economic Integration and National Economic Growth." *Regional Studies* **21 (August 1987): 327-39.** A technical analysis of the growth rates of income per capita in the U.S. The paper analyses the relationship between spatial integration and the rate of economic growth at the national level. It is a contribution on the issue of reducing income inequality. Much of the analysis is at the regional level. Four stages of growth are identified: acceleration, high growth, deceleration, and low growth. The linkages are viewed as horizontal and vertical. Horizontal linkages would include trade between regions. Vertical linkages connect regions with the national economy. In core-periphery terms, the areas focused on are integrated cores, integrated peripheries, and unintegrated hinterland. Policy conclusions are that the effectiveness of growth centers policies is greatest in slow growth stages and least effective in the high growth stages. Also, industries that are volatile, and have high elasticity of demand, should be stimulated through policy incentives during slow growth stages.

Buss, Terry F., and Roger J. Vaughan. "Organizational Responses to Economic Development in Ohio's Mahoning Valley: Lessons Learned Over the Decade". *Economic Development Review* **7 (Winter 1989): 13-16.** Outlines a strategy which allows policy makers to encourage private and public sector economic development organizations to pursue their objectives more effectively. Reviews two functions performed by EDOs: information brokering and program management. Based on the Mahoning Valley experience, this study proposes one model that may direct the efforts of EDOs more effectively and at a lower cost, emphasizing the use of special assessment districts, funding based on performance contracts, and greater reliance on fees for services.

Buttress, Steve. "Regionalism: A Road to Rural Renaissance". *Economic Development Review* **7 (Summer 1989): 24-26.** Focuses on creating an environment that will contribute unique and important components to the economy of the rural heartland. Although technology has signalled the end of the economic base that carried us through the first century, technology has also created the opportunity for a healthy economic future. The "main tool in the kit" is regional cooperation.

Buttress, Steve. "Rural and Small Town Development: The Case of Buffalo County, Nebraska". *Economic Development Review* **7 (Winter 1989): 49-54.** The objective of the Buffalo County, Nebraska Economic Development Council was to enhance competitiveness of the business community, use regional resources effectively, provide regional leadership and services to distressed areas, and to become a model for rural and small town development.

Carsrud, Alan L., Connie Marie Gaglio, and Kenneth W. Olm. "Entrepreneurs-Mentors, Networks,and Successful New Venture Development: An Exploratory Study". *American Journal of Small Business* **12 (Fall 1987): 13-19.** Exploratory study which indicates that the

62

limited use of mentors by women entrepreneurs is a statistically significant inhibitor to successful new venture developments. The existence of business networks was found to have minimal impact on the development of new ventures by women.

Casler, Stephen D. "A Theoretical Context for Shift and Share Analysis." *Regional Studies* **23 (February 1989): 43-8.** Provides a theoretical context for shift-share analysis based on standard microeconomic theory. This provides a theoretical basis for a regional input growth model. The resulting equation for measuring the sources of change in the regional demand for labor provides the same information as the standard formulation. A section on unbalanced growth provides for measuring several other types of imbalance. There are a number of potential reformulations which may be useful in various contexts.

Chicoine, David L. "New Federalism and Rural America: Implications for Local Public Economies." *American Journal of Agricultural Economics* **50 (December 1988): 1085-90.** A discussion of the changes in the federal and local relationship in the 1980s focusing on rural localities. Notes that the change in fiscal assistance places more pressure on local economic development to prevent tax and public consumption differentials from growing greater.

Choguill, Charles L. "Small Towns and Economic Development: A Tale from Two Countries." *Urban Studies* **26 (April 1989): 267-74.** An international study comparing Malaysian and Tanzanian experiences in stimulating rural agriculture. Of interest in that it suggests the importance of national policies in the success of local development activities.

Clarke, Marianne K. *Revitalizing State Economies.* **Washington, DC: National Governor's Association, I986.** A revitalization of the economy has been a major policy objective in many states in the I980s with the creation of a multitude of programs aimed at promoting business activity, rebuilding infrastructure, and providing low-cost financing for business start-ups. This report reviews the major state economic development policies and programs. Although state governments are continually working in this area, because the report was prepared in I986, it is reasonably current and therefore is of much help in understanding the programs being implemented. Unlike other reports which simply describe the types of programs available, Clarke presents data to illustrate the effectiveness of the efforts in rebuilding the state economies. Graphics are used throughout to make the presentations easier to understand and comprehend. The first major portion of the report provides an overview of the role of state government in economic development. The broad state role, general characteristics of state government involvement, and the organizational structures are all discussed. Because this report is based on a national survey, detailed information about the states in which each type of involvement is used can be presented. The discussion is very useful in understanding alternate approaches to the state economic development process. The second section discusses state initiatives in specific program areas and fills out the first section by providing detailed descriptions of state programs in each area. Particular attention is paid to programs involving small business development, technology development, international trade promotion, and adjustment assistance when businesses are undergoing relocation. Under the latter program, financial assistance, technical assistance, and employee ownership are among those areas discussed.

The final section of the report presents the program outcomes, namely which programs seem to have had a major effect on economic development in the states. This section is particularly interesting because it removes the economic development programs from the political arena. States can implement programs to win support from a particular clientele with relatively little attention on whether they have a positive overall effect. In this chapter, the intent was to present a comparison of the number of jobs created from each type of program. The interesting finding is that states are not keeping statistics on a regular basis or, at least, were not willing to report them on the survey. A general discussion of the ways in which statistics could be collected and programs reviewed is provided in the final chapter.

Cloke, Paul., and Jo Little. "The Impact of Decision-making on Rural Communities: An Example from Gloucestershire." *Applied Geography* **7 (January 1987): 55-77.** Examines a number of specific public programs in a local area of England. Assessment of the impact of these programs was found to be difficult. The conclusions argue for a more community-based approach to programs to obtain results that are of actual benefit to the local population rather than the decisionmakers.

Costa, Jose da Silva., Richard W. Ellson, and Randolph C. Martin. "Public Capital, Regional Output, and Development: Some Empirical Evidence. *Journal of Regional Science* **27 (August 1987): 419-37.** This paper investigates the relationship between public capital and regional output. Public capital is constructed from annual capital outlays as reported in the Bureau of the Census reports for the period 1937 to 1972. An inventory method is used with assumptions about life expectancy of equipment and structures. A translog production function was estimated from the data for each state. The estimates indicate that linear homogeneity can be rejected for all cases. The Cobb-Douglas specification was rejected for manufacturing and the all sectors category. Public capital was found to exhibit diminishing returns. Also, labor and public capital are found to be complementary inputs. The suggestion that public capital can spur development of depressed regions was not supported by the findings.

Costello, Anthony J. "The Caharrette Process: University-Based Design Teams Serve Indiana's Small Towns". *Small Town* **17 (May-June 1987): 18-25.** An important component of environmental design and planning professions is hands-on education and when such opportunities for students are carried out in small towns, both the students and the community have a great deal to gain. Such is the thrust for the Community-Based Charrette Workshops at Ball State in Indiana. The primary goal is to provide students with a series of practical learning experiences. The second goal is to provide education at the public and private sector levels so they may participate more actively in actual decision-making. Thirdly, this program provides public service and technical assistance. Finally, the promotion of applied research activities completes the objectives of CBP.

Costello, Anthony J. "Taking the Steps to Facilitate Downtown Revitalization". *Small Town* **17 (May-June 1987): 14-17.** Focus on front end steps to result in downtown revitalization. Self-analysis is revealed as one of the most imperative steps and this analysis leads to goals and objectives that are attainable and can generate economic growth.

Davelaar, Evert Jan., and Peter Nijkamp. "The Incubator Hypothesis: Revitalization of Metropolitan Areas?" *The Annals of Regional Science* **22 (November 1988): 48-65.** Develops an innovation cube to demonstrate that innovations are time-specific, space-specific, and system-specific. The intention is to develop a framework based on both the product life-cycle hypothesis and the innovation-incubator hypothesis. They test three hypotheses in this framework. The model is tested through contingency tables and regression analysis using industrial survey data. The theoretical framework supports the results of earlier studies that primary innovations occur in metropolitan areas but that secondary (process) innovations occur in nonmetropolitan areas.

Davis, Perry, ed. "Why Partnerships Now?". *National Civic Review* **76 (January/February 1987): 32-38.** Discusses public-private partnerships and elements central to growth. Also includes several partnership models and factors which drive this current trend. The recognition of economic interdependencies of various government jurisdiction and business interests, the need to coordinate individual and local efforts, and the inability of existing private and publication organizations to address certain problems are identified as main factors. This is closely connected to small town economic development as local governments undertake projects to increase local revenues and to retain and/or create local permanent jobs. Specifically mentioned was rural unemployment in Illinois, Ohio, Pennsylvania, and Michigan. In Illinois and other Midwestern states farmers are often dependent on a diversified rural economy and declines in non-farm opportunities or failure can be detrimental.

Deaver, Kenneth L. and David L. Brown. *Natural Resource Dependence, Rural Development, and Rural Poverty.* **Rural Development Research Report No. 48. Washington DC: USDA, July, 1985.** Natural resource dependent counties are those counties classified as either agricultural, mining or federal land dependent in terms of income sources. The classifications are the same as those employed in Research Report Number 49. Thirty-eight of Illinois' nonmetropolitan counties fit into the classifications agricultural (30), mining (7) and federal lands (1). Illinois' only county with persistent poverty is also in the federal lands classification. The conclusions of the report are that natural resource dependent counties have not grown more slowly and are not poorer than other nonmetropolitan counties during the period of analysis, 1970-80. However, agriculture remains a negative factor in economic growth. Agricultural counties had lower median family incomes in 1980 compared with other nonmetropolitan counties, but by less than $1,000.

Dillman, Don A. "The Social Impacts of Information Technologies in Rural North America." *Rural Sociologist* **50 (Spring 1985): 1-25.** This study is not directly concerned with the impact of information technologies on rural economic development. It is directed to how the information age will affect rural life in general. Useful as a background for researchers on rural economic development.

Doeksen, Gerald A. "The Agricultural Crisis as it Affects Rural Communities." *Journal of the Community Development Society* **18 (June 1987): 78-88.** Employs a simulation model to forecast the impact of farm liquidation on sales, employment, and government revenue. One objective is to assist in local planning and another is to assist local economic development practitioners in planning strategies for dealing with the decline. The special case analyzed was Pawhuska, Oklahoma. The simulations forecast changes in employment, wages and salaries by sector, and the impact on basic services such as water, sewage, fire protection, and ambulance services. Two scenarios are presented, but a variety could be constructed with the same basic program.

Doss, C. Bradley. "The Community Development Block Grant Educational Program: A Harbinger of New Federalism Resource Delivery". *American Review of Public Administration* **17 (December 1987): 59-69.** Summarizes the results of a survey to evaluate Community Development Block Grant programs (CDBG) in North Carolina, Alabama, Florida, and Mississippi. The CDBG programs correspond to a trend toward returning the responsibility for domestic programs to the state and local levels.

Dow, Sheila C. "The Treatment of Money in Regional Economics." *Journal of Regional Economics* **27 (February 1987): 13-24.** This article develops a monetary model that allows for a regional segmentation of financial markets based on post-Keynesian monetary theory. There is a concise review of the earlier literature. The development of the ideas is done graphically. The model incorporates the expectations regarding the value of local assets in both the demand and supply sides. There is explicit consideration of branch banking.

Drabenstott, Mark., Mark Henry, and Lynn Gibson. "The Rural Economic Policy Choice." *Economic Review* **72 (January 1987): 41-58.** This study consists of three parts. The first is an overview of the current trends in population and fiscal stress in 17 rural states. The definition of a rural state is one in which the ratio of nonmetropolitan to metropolitan population is greater than the fifty state average of 1.09. Based on the ACIR definition of tax capacity, the findings are that 1984 tax capacity is lower and tax effort higher in rural states. From 1975-84, tax effort increased in 13 of the rural states. The next two parts of the article define and discuss two types of rural policy, a rural transition policy and a rural development policy, with brief discussions of existing programs. The transition policies are directed to easing labor adjustments, easing public infrastructure adjustments, and supplementing rural incomes. The rural economic development policies are directed to rural infrastructure investment, business development, and information dissemination. The authors argue that the later policies must be justified on social rather than economic grounds. Policymakers are urged to decide which types or combinations of policies are to be employed.

Drazen, Allan. and Zvi Eckstein. "On the Organization of Rural Markets and the Process of Economic Development." *American Economic Review* **78 (June 1988): 431-33.** This is a theoretical analysis based on a two-sector growth model. The focus of the model is on how the characteristics of rural markets for inputs affect short and long run saving and economic development. Two cases, one in which rural markets are competitive and one in which they are not, are analyzed. It is found that improvements in the competitiveness of rural markets may actually reduce the long-run income of the rural area. The key to this result seems to be the land market which, by providing an alternative for saving to capital, reduces capital accumulation. Also, noncompetitive rural labor markets may also favor capital accumulation if the result is to increase labor's share of savings. One implication of the results, which are counter-intuitive, is that a fully specified dynamic model is necessary to analyze the welfare effects of a change in market organization.

Duffey, Patrick, ed. "Rural Revitalization, Export Expansion: Principal Features on NCBA's Agenda". *Farmer Cooperatives* **56 (June 1989): 20-21.** Discusses the interest of the National Cooperative Business Association (NCBA) in revitalizing rural communities and expanding exports. The NCBA's efforts are centered in Cooperative Business International, whose mission is to serve as a trade representative or broker on behalf of U.S. cooperatives to bring buyers and sellers together.

Duncan, Cynthia M., and Ann R. Tickamyer. "Poverty Research and Policy for Rural America." *The American Sociologist* **19 (Fall 1988): 243-59.** A review of current knowledge regarding the rural poor and the implications for government policy. Discusses the characteristics of rural poverty, the theories of rural poverty, and an agenda for future research. In the review of current proposals, they note that many would be beneficial to the rural poor. The proposal to emphasize benefits to the working poor is an example. Rural poor would benefits from an increase in the earned income credit. A requirement for all states to include two-parent families in AFDC would also benefits the rural poor. On the negative side, work requirements in isolated rural areas with very limited job opportunities would harm the rural poor, unless exemptions are provided. The authors argue for new policies aimed specifically at the rural poor because of their unique characteristics. Inadequate skills of rural workers is a particular problem.

Duncan, William A. "An Economic Development Strategy." *Social Policy* **16 (Spring 1986): 17-24.** A discussion of the assumptions and focus of economic development organizations in the past which argues that a key failure has been to recognize the political dimension. Argues that without integration with the political infrastructure, economic development is likely to only operate at the margin and be unable to affect significant improvement.

Dunford, Richard W., Carole E. Marti, and Ronald C. Mittelhammer. "A Case Study of Rural Land Prices at the Urban Fringe Including Subjective Buyer Expectations." *Land Economics* **61 (February 1985): 10-16.** This paper addresses the issue of urban growth on surrounding rural land parcels. The conceptual framework is a bid-price model. Data was gathered by survey. Explanatory variables were divided into those influenced by external forces, by land characteristics, by buyer characteristics, and by expectations. The land characteristics variables were all significant and of expected sign. Higher prices were paid for parcels the better the soil, the better the road access, the larger the parcel, and the closer an interstate. Lower prices were paid the further the parcel was from town. The only buyer characteristic to be significant was whether the buyer was a partnership or a corporation. The conclusion is that business firms pay more than individuals for property. The expectations variables were both significant. Expected inflation and expected future development both raised the prices of parcels. Of particular interest, external forces, were also significant. The availability of sewer service and higher intensity of land use in the immediate area also raised land prices.

Dunkle, Robert., Deborah Brown, and Stephen Lovejoy. "Adaptation Strategies of Main-Street Merchants". *The Rural Sociologist* **3 (1983): 102-106.** Explores small town survival strategies based on two towns in Indiana, one of which has prospered; the other has declined. Many smaller rural communities have experienced economic rebirth after years of stagnation and decline, primarily as the result of population growth. Some factors observed in the strategies were flexible "retail-accordion" models of retail adaptation which change by expanding or contracting product lines to meet the needs of the community; cultivation of intimacy with community customers, not only because of community norms of friendship and neighborliness, but also so the merchant can better understand community needs; and close community relationships establish a network of supportive relationships and loyalties that may enhance the survival of the rural merchant.

Dunn, Delmer D., Frank K. Gibson, and Joseph W. Whorton, Jr. "University Commitment to Public Service for State and Local Governments". *Public Administration Review* **45 (July/August 1985): 503-509.** This study reports the results of a survey of university presidents concerning their priorities among programs of continuing education, applied research, and technical assistance or consulting to assist state and local public officials. It also reporters how their priorities for those programs compare with their support of more traditional university programs and of university services for other groups.

Dunn, Delmar D., and Joseph W. Whorton, Jr. "University Public Service to State and Local Government: A Program in Search of a Paradigm." *State and Local Government Review* **19 (Fall 1987): 114-18.** This study is based on a survey of directors of university programs that have been developed to assist state and local government. Characteristics examined were, unit size and staffing, recruiting standards, program emphasis, program financing, organization, and relationships with other universities. Programs varied widely in staff size, with the average being twelve, of which six were professional staff. Public Administration degrees were held by 75 percent of the professional staff. Sixty-six percent held degrees in political science. In terms of characteristics used in the staff hiring decision, all characteristics had mean weights less than 20 percent. However, the most frequently cited characteristics were either a terminal degree or a Master's degree. Program emphasis was fairly equally divided between funded research, unfunded research, training/continuing education, and technical assistance. The bulk of the units, 42 percent, were located in academic units. Thirty-four percent were separate units. The study concludes that there are no norms to guide these units which creates a number of problems. In particular, universities by their nature emphasize research and teaching, which is not consistent with the public service orientation of development service units.

Findeis, Jill L., and Norman K. Whittlesey. "Trade-offs in Resource Use: Implications for State Economic Development." *The Review of Regional Studies* **16 (Spring 1986): 50-7.** The empirical analysis is devoted to the special case of irrigation development in the state of Washington. The methodology, based on an input-output model, is generally applicable. In particular, it differs from the standard analysis by allowing for price changes. It allows identification of the simultaneous effects of changes in final demand, exogenous prices, and output. The analysis provides estimates of the magnitudes of gains or losses by economic group. As expected, what emerges from the simulations is that there are losers and gainers in the particular project.

Fischer, Manfred M., and Peter Nijkamp. "The Role of Small Firms for Regional Revitalization." *The Annals of Regional Science.* **22 (February 1988): 28-42.** This study discusses the regional development potential of small and medium sized enterprises. The small firm sector is discussed in terms of a model of industrial evolution with three stages: dynamic growth, consolidation, and maturity and market saturation. Small and medium sized firms are seen as the basis for new innovation and economic development in this framework. The conclusions are that small and medium size firms appear to provide development potential if combined with the appropriate institutional framework of information and knowledge transfer.

Fitzgerald, Joan., and Peter B. Meyer. "Recognizing Constraints to Local Economic Development." *Journal of the Community Development Society* **17, no. 2 (1986): 115-26.** Discusses and describes the differences between local economic growth and local economic development. Placement of capital in the community rather than capital based in the community raises the issue of non-local control. Increased concentration of production and conglomeration leads to employment instability in the case of capital that is not based in the community. Favors local development of activity rather than the attraction of activity from outside. Discusses three strategies that have been proposed which include establishing new local business, improving the efficiency of exiting business, and increasing employment in nonmanufacturing activities.

Concludes with proposals for providing a locally controlled pool of capital, recognizing that investors may have to accept a lower rate of short or intermediate return to secure long-term community benefits. The three basic proposals are: forming community based capital investment pools; forming bank sponsored community development corporations directed to financing local entrepreneurs; and mobilizing local public pension funds.

Fosler, R. Scott. "Economic Development: A Regional Challenge for the Heartland." *Economic Review* **73 (May 1988): 10-19.** A discussion of the arguments in favor of the regional approach to economic development. Factors favoring regionalism are economic restructuring arising out of global economic changes, the policy shifts created by the new federalism of the 1980s, state power in affecting local economic development, and the general growth of awareness of the need for regional approaches. Obstacles to regionalism are seen to be the mismatch between geographical and political boundaries, the existing maize of regional associations, the lack of a well defined regional focus, state competition and a focus on internal conditions, and the difficulty of coordinating all of the entities within the region as a whole. The arguments for specific regional strategies are based on avoidance of "beggar-thy-neighbor" policies and on capturing economies of scale.

Fosler, Scott R. "State Economic Development Strategies." *Economic Development Review* **(Winter 1988) 45-9.** Identifies eight types of strategies employed by states to stimulate economic development. Argues that these strategies are broad scope and are highly complex. These strategies also involve critical policy choices which require careful matching with state needs. Believes that conventional state agencies are probably not well suited to managing these strategies. This leads to the conclusion that new and more flexible institutions are needed to foster economic development. These new institutions must formulate strategy, evaluate programs, integrate the activities of currently fragmented programs, and coordinate policy.

Fournier, Gary M. and David W. Rasmussen. "Real Economic Development in the South: The Implications of Regional Cost of Living Differences." *The Review of Regional Studies* **16 (Winter 1986): 6-13.** Employing the Bureau of Labor Statistics family budget series on the cost of living for 37 SMSAs, this study uses regression estimates to develop estimates of the cost of living for the 48 contiguous states. Ordinary Least Squares estimates are used to project the cost of living to areas outside the SMSAs are for both low and intermediate family budgets. The cost of living indices estimated for Illinois, for both types of families, fall roughly in the division between the top and second quartile. Using the cost of living indices to calculate per capita real income results in a 1980 value of $10,281. This is the seventh highest per capita income in the 48 contiguous states. It is the highest per capita real income in the North Central region. One conclusion of the authors is that it disputes the theory that the rapid economic growth of the South can be explained by the low level of AFDC payments which are hypothesized to increase the incentive for work among the poor.

Fox, William F. "Tax Structure and the Location of Economic Activity along State Borders." *National Tax Journal* **39 (December 1988): 387-401.** This study is based on Chattanooga, Clarksville/Hopkinsville, and Tri Cities metropolitan areas along the Tennessee border. Tennessee relies heavily on consumption taxes which are often explicit and visible while the border states rely more on income taxes. While the general sales tax does have an impact on retail activity, but, at the margin, it did not have a major impact. The income tax had only a small impact on employment and on the location of sales. In general, the sales tax reduces employment and sales in the high tax area. The effects from other taxes are quite small.

Fox, William F., and C. Warren Neel. "Saturn: The Tennessee Lessons". *Forum for Applied Research and Public Policy* **2 (1987): 7-16.** Discusses the trials and errors of the GM Saturn project in Spring Hill, Tennessee. The major lesson of this project is that the range of state and local government influence in a location decision depends on the size of the investment. Also, site acquisition by state or local government will frequently be an ineffective method of recruiting large firms. Another important lesson is that economic development is not completed solely by a firm's announcement to locate.

Fritz, Richard G. "Strategic Planning with a System Dynamics Model for Regional Tourism Development." *The Review of Regional Studies* **19 (Winter 1989): 57-71.** This article develops a model for the evaluation of the life-cycle of an existing tourist site. The model is developed in terms of schematics and is simulated based on a specific case to illustrate the dynamics and principles involved. The number of tourists attracted to the site is influenced by sales effort and promotion, gravity effects of attributes of the site, and site reputation. Competition by new firms is included in the model and the simulations. The model explored does not allow for rejuvenation of the site. The results of the simulation are that the site will attract the maximum number of customers at around the tenth year. Promotional efforts do not offset the decline or lengthen the life-cycle.

Fritz, Richard G., and W. Warren McHone. "Forecasting Local Business Activity from Aggregate Indicators." *The Annals of Regional Science* **22 (March 1988): 63-74.** An attempt to provide forecasts on business activity in local regions. An index of local business activity is developed using Orlando, Florida data to illustrate the process. Next, a national leading indicator index is constructed using seven of the twelve variables used in the construction of the national index. A cross-spectral analysis indicates that local cycles depend to some degree on national cycles. Arima procedures are used to obtain a series for use in a Granger test of causality. Finally, a transfer model was estimated. The results are that there is a significant relationship between the national and local indices. On a more general level, the results also indicate that national fluctuations create regional fluctuations.

Fry, Fred L. "The Role of Incubators in Small Business Planning". *American Journal of Small Business* **12 (Summer 1987): 51-61.** The "business incubator" has become an important innovation in entrepreneurship and economic development. An incubator houses a number of new, small businesses that share space and administrative services. Benefits include management assistance and planning facilitation. This study focuses on 76 of approximately 150 members of the National Business Incubation Association. Of 26 states that responded, seven states accounted for 59 percent of the incubators. The heavily represented states included Pennsylvania, New York, Illinois, Michigan, Minnesota, Ohio, and Oklahoma.

Garnick, Daniel H. "Growth in Metropolitan and Nonmetropolitan Areas: An Update." *Survey of Current Business* **69 (April 1989): 37-8.** A summary of the principal industrial developments underlying the differences in the demographic and economic growth rates between metropolitan and nonmetropolitan areas. The nonmetropolitan growth in the Northeast-Great Lakes area has been due both to the dispersion of manufacturing employment out of metropolitan areas and to the transitory effects of the changes in primary commodity prices. The later fueled the rural revival of the 1970's and is viewed as an explanatory factor in the reversal of this trend in the 1980's.

Gasson, R. "Farm Diversification and Rural Development". *Journal of Agricultural Economics* **39 (May 1988): 175-182.** Reports on farm diversification and rural development projects in the U.K. where grants will be available to set up ancillary businesses on or near farms. These farm diversification grants focus on a narrow range of activities, for which demand is rather limited. Also, the proposed grants are best suited for larger farms. Activities are mostly farm-centered, including on-farm tourist accommodations, visitor attractions, sporting, recreation, and amenity facilities, craft workshops, and food processing.

Gillis, William R., and Ron E. Shaffer. "Targeting Employment Opportunities toward Selected Workers." *Land Economics* **61 (November 1985): 433-43.** This study focuses on the nonmetropolitan areas of the North Central region of the United States both in order to focus on rural policy but also because, as formulated, a fixed and homogeneous labor supply is necessary. The basic hypothesis is that it is possible for rural economic development to target employment opportunities to benefit certain groups within the rural economy. Using a multinomial logit model, the relationship between the probability of hiring workers from specified groups and the attribute of a specific industry are explored. Male workers are more likely to be hired by manufacturing rather than nonmanufacturing industries. Disadvantaged males are more likely to be hired by

BEST COPY AVAILABLE

smaller capital intensive industries. On the other hand, females are more likely to find employment in trade and service industries. Among those trade and service industries requiring less-skilled workers, disadvantaged females are more likely to find employment.

Gilmer, Robert W., Stanley R. Keil, and Richard S. Mack. "The Service Sector in a Hierarchy of Rural Places: Potential for Export Activity. *Land Economics* **65 (August 1989): 217-27.** Modifies the traditional location quotient by removing the urban areas and recalculating the quotients for the industries in the rural areas. The empirical analysis is based on counties in Alabama, Georgia, Kentucky, Mississippi, North Carolina, Tennessee, and Virginia. The conclusions of the analysis are pessimistic. The recruitment of industries to rural locations does not appear likely. Because of the agglomerative nature of services, attempts to reverse the pattern of exports, which is from larger to smaller units, may involve loses in economic welfare.

Ginder, Roger G., Kenneth E. Stone, and Daniel Otto. "Impact of the Farm Financial Crisis on Agribusiness Firms and Rural Communities." *American Journal of Agricultural Economics.* **67 (December 1985): 1184-89.** Addresses the implication of the farm crisis of the early 1980s on agribusiness, main street businesses, and community institutions. The direct effects of an increase in bad accounts receivable, foreclosure, and further concentration of ownership are examined. An indirect effect is that if an existing input supply firm is purchased at much less than replacement cost or book value, that competing firms may not be able to survive. Also, losses by lending institutions may be reflected in a reduction of credit available to agribusiness firms. Retail impacts are discussed in terms of the Iowa experience in which taxable retail sales declined dramatically, reflecting the linkages between the agricultural and retail sectors in rural areas. A 1985 study of 675 Iowa towns showed that in recent years there has been a retail sales migration which has particularly harmed retail firms in town of less than 1,000 but benefited larger communities. While noting that in the past rural communities have been able to absorb displaced farmers into the existing economic base, they are not optimistic that this will be the case in the future.

Gittell, Ross. The Role of Community Organization in Economic Development: Lessons from Monongahela Valley". *National Civic Review* **78 (May/June 1989): 187-196.** Discusses the growth opportunities in the "Mon" Valley region of Pennsylvania as the result of greater citizen participation in development affairs.

Gittell, Marilyn., and Edward T. Rogowsky. "Local Organizations and Community Development: Energizing the System". *National Civic Review* **78 (May/June 1989): 165-167.** Focuses on community institutions, which are based on citizen involvement. These institutions provide services and advocate local interests.

Gladwin, C.H., B.F. Long, E.M. Babb, L.J. Beaulieu, A. Moseley, D. Mulkey, and D.J. Zimet. "Rural Entrepreneurship: One Key to Rural Revitalization". *American Journal of Agricultural Economics* **71 (December 1989): 1305-1314.** This study focuses on additional employment opportunities needed to utilize labor and management resources in rural areas as a means to revitalize rural agriculture-based economies. Primarily, this work provides a critique of theoretical concepts, analysis methodology, and research findings on entrepreneurship from various disciplines. Also summarized is the work in progress on Northern Florida and the impact on the local economy. One main difference cited was that local politics play a significant role, as does local "clannishness", often determining whether or not a new business makes it. The types of rural businesses which seem to prosper are service-oriented because most people go to urban centers for the purchase of bigger items.

Gold, Steven D., and Brenda M. Erickson. "State Aid to Local Governments in the 1980s." *State and Local Government Review* **21 (Winter 1989): 11-22.** This paper addresses the issue of state aid to local government following the termination of federal general revenue sharing in 1986. Data is from the U.S. Bureau of the Census's *State Government Finances* and *State Payments to Local Governments* series. Aid is divided into the categories, education, welfare, general local support, and other. The data is presented in tables for all fifty states. State aid is presented in total, percent of total local spending, and percapita terms in 1986 for all fifty states. The changes in state aid from 1980 to 1986 are presented in percentage changes by category and as a percent of local spending. Provides a useful overview in changes which may have put more pressures on local governments.

Goldstein, Harvey A., and Edward M. Bergman. "Institutional Arrangements for State and Local Industrial Policy." *Journal of the American Planning Association* **52 (Summer 1986): 264-76.** This is a review of fourteen proposals to create formal institutions to formulate development policy at the national, state, and local level. There is a clear presentation of characteristics of these entities by intended duration, degree of autonomy, participants, decision-making process, major procedural policy roles, and operational policy roles. There is considerable variation among the proposals in terms of these characteristics, except for duration, where only one is to be temporary. The authors note a tendency to move away from traditional policymaking arrangements toward less government control and more concentration of roles in a single policy entity.

Goode, Frank M. "Rural Industrial Location Versus Rural Industrial Growth." *The Annals of Regional Science* **23 (Spring 1989): 59-68.** The object of this study is to determine whether or not the location of industrial plants is the same as the location of industrial growth. Industrial location occurs when new firms enter an area. Industrial growth is when an existing facility expands. The basic design of the experiment is to consider the same explanatory variables but different independent variables, one for location and the other for growth. A total of eighteen different regression models are estimated. It is found that industrial location and industrial growth are influenced by a different set of factors. In terms of location, it appears that industrial growth is important for larger communities. On the other hand, smaller and poorer communities are as attractive for new plants as are larger communities. Further, new plants are located on the basis of economic considerations and less on the array of services that are available.

Goode, Frank M. "The Efficiency of More Refined Demand Variables in the Industrial Location Models: Note." *Growth and Change* **17 (January 1986): 66-75.** Defines a demand variable called potential net output demand. Based on a gravity model concept, the variable measures excess demand rather than total demand. To construct the variable requires knowing the demand for a product by community, supply of the product by community, and the costs of transporting the product between communities. Two models were estimated, one using the demand variable defined in the study, and the other using a standard demand variable. The results suggest that the variable defined in the study is a better measure of demand but that it requires additional refinement.

Grady, Dennis O. "Economic Development and the Administrative Power Theory: A Comparative Analysis of State Development Agencies." *Policy Studies Review* **8 (Winter 1989): 322-39.** This is a test of the administrative power theory using state economic development agencies. The information on the environment in which the agencies operate was obtained by a survey instrument. Agency power is defined as the ability to obtain resources and to set its own policies. To measure availability of resources, a number of variables examined, standardized by Z-score, and added together. The ranking by relative size of index for the financial resources measure shows Illinois to have by far the greatest index, implying the greatest resource base. An autonomy variable is also constructed. In terms of the autonomy measure, Illinois is fourth lowest. Illinois's economic development agency would not be ranked as either a high or low power agency. The study comments that states with high power agencies, measured by resources and autonomy, would be expected to outperform those which do not, although this view is not tested in the article.

Green, Gary P. "Large-Scale Farming and the Quality of Life in Rural Communities: Further Specification of the Goldschmidt Hypothesis." *Rural Sociology* **50 (Summer 1985): 262-73.** This study examines the hypothesis that the size of farm in a rural community determines the quality of life. That is, the growth of large-scale farm operations reduces the quality of life in rural communities. Data is from 1934 and 1978 for nonmetropolitan counties in Missouri. Quality of life is measured by a number of variables which are grouped into the categories: number of local organizations, institutions, and services; participation in local organizations; and socioeconomic well-being. Four regressions using these independent variables are run on the dependent variables: percent of farms that are owner-operated; population; percent of workers who are wage earners; and average farm size are employed. There is some confirmation of the hypothesis that larger farms lower the quality of life.

Groenewold, N., A. J. Hagger, and J. R. Madden. "The Measurement of Industry Employment Contribution in an Input-Output Model." *Regional Studies* **21 (June 1987): 255-63.** This is a technical piece on estimating the contribution of an industry to regional employment. Four methods are developed based on a closed input-output model. Each of the four methods relies on a different concept of employment contribution, which indicates it is a vague concept. The authors point out that none of the methods is ideal and recommend criteria for choosing between them.

Gunther, William D., and Charles G. Leathers. "British Enterprise Zones: A Critical Assessment." *The Review of Regional Studies* **17 (Winter 1987): 1-12.** This is an article based on the experience with British Enterprise Zones as a means of predicting the effectiveness of the tool in the United States. The original concept of the enterprise zone is discussed along with the actual British program. The detailed discussion is based on the first and largest of the British Enterprise zones at Swansea, Wales. Different estimates of the impact of the zone are given by local authorities and from a monitoring report. The total public investment in the zone was $26 million. Local authorities estimate 759 new jobs were created for a public cost of $34,256 per job. The monitoring report suggests a range of 4-12 percent of the new jobs were actually created by the zone. The most optimistic estimate of new job creation is then 91 jobs at a public cost of $285,000 per job. A more general overview of all British enterprise zones is included. Among the lessons drawn is that the actual practice of the concept does not closely resemble the original theory behind it. Another is that the program has been a very costly way to create jobs, given the experience to date.

Haas, Gregory. "Minnesota Star Cities Lighting the Path of Economic Development". *Small Town* **16 (September/October 1985): 12-21.** Focuses on tasks required by communities to become star cities. After local development corporations are established, star cities such as Thief River Falls, Minnesota are required to complete development plans and strategies for the economy and capital improvement, a community profile, a labor force survey, an annual community industry survey, and as a final step, the community must successfully market itself to an industrial client. The Star City Program has been instrumental in helping communities in Minnesota to attract and retain business.

Hamilton, William, Larry Ledebur, and Deborah Matz. *Industrial Incentives: Public Promotion of Private Enterprise.* **Washington, DC: ASLAN Press, 1985.** This book is a review of state economic development programs similar to several others reported in this bibliography. One of the more useful features of the publication is is organizational structure. There are so many economic development programs in operation in states that readers have difficulty organizing them into a meaningful structure. Hamilton and others have carried out this operation well. The first major section examines various structures for providing grants for enterprise development. The types of incentives include land subsidies, grants for plant and equipment, recoverable grants, and matching grants. Examples of programs in various states are highlighted to provide a flavor of how the program works. The second section includes a discussion of debt instruments such as direct public loans and public/private financing arrangements. The authors cover an assortment of financial arrangements for providing loans with examples of some of the limitations. Tax-exempt financing is covered next with a detailed discussion of general obligation bonds, tax-exempt revenue bonds, tax increment financing, industrial revenue bond guarantees, umbrella bonds, and an assortment of other financing schemes. Equity and near-equity financing arrangements have been becoming more popular in recent years and there is a good discussion of the way in which these programs work. These programs will most likely become more popular in the future. Virtually every state has a program of tax incentives available for businesses wishing to start-up or relocate in the state. Many of these programs involve property tax abatement. An excellent discussion of the various programs and their limitations is provided. A major finding of the analysis is the relative high cost of property tax abatement in light of the cost to the city to provide this incentive.

Hart, Stuart L., and Daniel Denison. "Creating New Technology-Based Organizations: A System Dynamics Model." *Policy Studies Review* **6 (February 1987): 512-528.** Focuses on the theory of technology-based business creation and development. A well organized discussion of what are identified as four traditional research approaches and their findings is included. These four research approaches as they identify them are: analysis of environmental factors; comparative studies; analysis of group and organizational processes; and characteristics of entrepreneurs. The authors propose that an integration of these traditional approaches can be developed with an ecosystems model driven by systems dynamics. They note, as have others, that the new technology-based enterprises are not as interested in wage rates, utility costs, costs of living, and proximity to major markets as are manufacturing enterprises. These new organizations focus on access to technological expertise, availability of support services, and quality of life. They argue that these and other factors which spawn technology-based enterprises are better understood in the context of a theory of the environment.

Hawkins, Brett W., and Gregg W. Smith. "Conditions of State Aid to Distressed Communities." *Urban Affairs Quarterly.* **23 (September 1987): 126-39.** Addresses the issue of whether or not state government responds to the needs of distressed local governments utilizing path analysis. The conclusions are that state governments have responded refuting the argument that a more decentralized federal structure would lead to less responsiveness to local distress. Not directly a rural research paper but does suggest that states are capable of responding to local problems.

Hayden, F. Gregory., Douglas C. Kruse, and Steve C. Williams. "Industrial Policy at the State Level in the United States". *Journal of Economic Issues* **19 (June 1985): 383-396.** Development of industrial policies at the state level are being implemented to stimulate economic growth. Since economic development is linked to technological advance, it is recognized that technology policies are also needed. Policies for technology are in many cases categorized into 4 areas: technical assistance programs, innovation centers, incubator centers, and research consortiums.

Helms, L. Jay. "The Effect of State and Local Taxes on Economic Growth: A Time Series-Cross Section Approach." *The Review of Economics and Statistics* **67 (November 1985): 574-82.** This paper provides insights into the connections between government taxes and economic growth that are of interest. A time series of data from 1965-1979 of cross sections of 48 states is employed in the analysis. A government budget constraint is explicitly included. The variables in the analyses include various taxes, deficit, federal revenue, categories of expenditure, relative wage, unionization rate, and population density. The results are of interest in the debate as to the claim that high taxes discourage economic development. The key finding is that expenditures are also a critical element. Taxes devoted to public services valued by business and employees may actually stimulate economic development. In more specific terms, it was found that taxes used to finance transfer payments discourage economic development but that taxes used to finance education, highways, and public health and safety may more than counterbalance the negative effects of higher taxes. In effect, the composition of expenditures is also an important determinant of local economic development.

Henderson, J. Vernon. "The Timing of Regional Development." *Journal of Development Economics* **23, no. 4 (1986): 275-92.** This is a technical paper concerned with the timing of development. The issue is whether the actual timing of development in underdeveloped regions is optimal. The analysis is in terms of production and utility functions of a standard nature except that there is a public good. The two regions are a hypothetical coast region which is occupied first and an interior region which is initially undeveloped. When population in the developed region reaches a certain size, the utility of residents begins to decline. Comparing a competitive market directed decision to relocate with the optimal solution shows the optimal solution suggests a faster development of the underdeveloped region. The optimal solution is achieved by a subsidy by the coastal region residents to the migrants to the underdeveloped region.

Henley, Andrew., Alan Carruth, and Alun Thomas. "Location Choice and Labor Market Perceptions: A Discrete Choice Study." *Regional Studies* **23 (October 1989): 431-45.** This paper develops a multinomial logit model of location choice. Estimates are based on a survey taken in 1987 to determine the impact of the undersea tunnel from England to the Continent. An earlier descriptive study had determined that in one are of the study, Kent, that there were no strong trade ties with Europe and that the availability and cost of skilled labor was an important consideration in choosing the location. Estimates are provided for three discrete choice models. The information obtained allowed the authors to speculate on the impact of the Channel Tunnel on employment in the Kent area.

Henry, Mark., Mark Drabenstott, and Lynn Gibson. "Rural Growth Slows Down". *Rural Development Perspectives* **3 (June 1987) 25-30.** According to this study, the slowdown of rural growth stems from factors other than normal fluctuations in the business cycle. Factors include: deregulation of banking and transportation, international competition, and financial problems in the agriculture sector. Examines the lag in per capita income, rural growth rates, and the impact of deregulation.

Henry, Mark S. "Southern Farms and Rural Communities: Developing Directions for Economic Research and Policy". *Southern Journal of Agricultural Economics* **20 (July 1988): 13-28.** An overview of research policy and conceptual analyses for the South. Focuses specifically on relationships of southern agriculture to rural areas and communities, current trends and impact on economic development research should take to analyze the current situation. Based on findings in the study, the author concludes that agriculture is not the key to economic development. Secondly, restructuring is likely to widen the rural-urban economic gap and policy intervention will be needed to reduce the size of the gap.

Herzik, Eric B., and John P. Pelissero. "Decentralization, Redistribution, and Community Development: A Reassessment of the Small Cities CDBG Program". *Public Administration Review* **46 (January/February 1986): 31-36.** This is an analysis of changes in one particular block grant altered by Omnibus Budget Reconciliation Act of 1981, an act which consolidated more than 50 categorical grants into nine block grants. This focuses specifically on the Community Development Block Grant (CDBG) Program. Attention is given to redistribution, following the proposition that decentralization weakens the redistributive character of policy allocation. The specific empirical question addressed is whether or not funding priorities have changed as the result of the change from the Department of Housing and Urban Development (HUD) to state administration and state cities programs. Data reveals that changes have occurred because of different administrative procedures pursued by states, rather than from policy redirection.

Herzog, Jr., Henry W. and Alan M. Schlottmann. "State and Local Tax Deductibility and Metropolitan Migration".*National Tax Journal* **39 (June 1986): 189-200.** Explores the response of metropolitan dwellers to high tax areas in California, the Midwest, and the East. The elimination of state and local tax deductibility, rising costs of public goods, etc. may induce people to re-locate. This may have an eventual effect on human capital and human resource investment programs such as education, servicing the needs of the poor, and fighting crime. This study was conducted using a comprehensive multivariate model of migration decisions to examine the extent of which members of the labor force "vote with their feet" in response to state and local taxes and local services provided by those taxes.

Hibbard, Michael., and Lori Davis. "When the Going Gets Tough: Economic Reality and the Cultural Myths of Small-Town America". *APA Journal* **56 (Autumn 1986): 419-428.** This is a case study of Oakridge, Oregon, a single-industry small town that views itself as a traditional town. Historical and economical perspectives are discussed, as well as the culture and community ideology and implications for planning.

Hinkle, Jere J. *River to River Feasibility Study.* **Springfield, IL: Illinois Department of Transportation, I986.** This report summarizes the findings of a major feasibility study of a scenic/recreation highway through southern Illinois. The report is useful to the Rural Task Force for several reasons. First is the extensive data base generated as part of the study. Second is the need to examine the economic development potential of major new transportation systems in areas such as southern or western Illinois. At several hearings comments were made that better coordination among state agencies would assist local officials. This study is an example of the incorporation of economic development benefits as part of the transportation needs assessment program.

Honadle, Beth Walter. "Federal Aid and Economic Development in Non-metropolitan Communities: The UDAG Program". *Publius: The Journal of Federalism* **17 (Fall 1987): 53-63.** This articles examines the Urban Development Action Grant (UDAG) program experiences of a sample of 10 distressed communities, focusing on the factors that affect completion and benefits. Sample communities proposed to the use the grants for a variety of local purposes--residential facilities for the disabled, the construction of shopping centers and hotels, and industrial development. Many attempted to develop industries based on agricultural activities. This study reveals that the UDAG programs definitely benefit a number of small communities, which have been able to create new jobs and businesses.

Hite, James., and Holly Ulbrich. "Fiscal Stress in Rural America: Some Straws in the Wind." *American Journal of Agricultural Economics* **68 (December 1986): 1188-93.** Examines fiscal stress in fifteen states in the Northeast, South, West, and Midwest. Fiscal stress is a measure of financial pressure on governments and is describes as unexpected declines in taxes and/or unplanned increases in expenditures. Five stress indicators are employed and are: tax capacity, change in tax effort, ratio of tax effort to capacity, changes in effective property tax rates, dependence on federal grants, and major increases in state taxes. There is a discussion of fiscal safeguards that cushion the effects of stress and of the impacts of secular trends. The conclusions are that fiscal stress in rural communities, especially those that are agriculturally dependent, has increased. The implication is that local governments in rural areas have more problems to solve and fewer resources to solve them with. The authors anticipate that the problem will continue into the future.

Howland, Marie. "Measuring Capital Subsidy Costs and Job Creation: The Case of Rural UDAG Grants." *APA Journal* **56 (Winter 1990): 54-63.** A discussion of the cost-effectiveness of low-interest loan programs in terms of their potential to contribute to development in rural communities. A methodology for measuring project costs using a capital subsidy value is presented. There is a brief discussion of the difficulties in calculating the number of jobs created by a project and an outline of the UDAG program. Two case studies are used to illustrate the problems in counting the number of jobs created. Information was collected by telephone interview with 169 city officials and 101 UDAG recipients. From these interviews a set of 89 full information cases were obtained. The cost per job created is calculated under several sets of assumptions. In the first round of hiring for new facilities, the cost per job was $4,216. In terms of the number of jobs the grantee promised to create the cost is $2,865 per job. Using total jobs as measured at the end of 1987 gave a cost per job of $1,963. Finally, in terms of net jobs created, the cost per job was $2,997. Conclusions are that the cost of rural manufacturing job creation is low and that the low interest rate loans are relatively inexpensive.

Howland, Marie., and Ted Miller. "Urban-Oriented Program Helped Rural Communities". *Rural Development Perspectives* **5 (October 1988): 13-18.** This study examines the impact of Urban Development Action grants which have helped many rural communities revitalize at a cost less than $3,000 per job. Although the UDAG was terminated in 1988, the positive results can provide incentives for future development programs. Even more impressive were the numbers of jobs actually generated in the 10-year existence of the program. This article mentions various details about the operation, as well as case studies from South Carolina and Illinois.

Howland, Marie. "Plant Closure and Local Economic Conditions."*Regional Studies* **22 (June 1988): 193-207.** This is a study of the reasons for plant closures. The data used in the study are for the metalworking machinery, electronic components, and motor vehicle industries. A discrete choice model is employed in the estimations. Cost data taken into account include wages, energy costs, and taxes. Only twenty-six states were included in the analysis, Illinois being one. The cost indices are of interest. Illinois is in roughly the middle of the range for all cost indices. In terms of percent of unionization, only three states have a higher percentage of unionization. In summary, rates of plant closures and job losses from plant closures show little variation across regions except that the sunbelt experiences higher closure rates than the frostbelt. For estimating the logit models, data from 65 SMSAs are used. The findings are that a branch plant or subsidiary is much more likely to close than an independent plant or a headquarters. As expected, new firms are more likely to close than established firms. Other variables did not consistently predict the probability of a plan closing.

Hoyt, Ann. "Cooperatives-Tool for Rural Revitalization". *Extension Review* **58 (Winter 1987) 14-15.** Focuses on Wisconsin's attempt to foster and assist diverse cooperative businesses as a way to strengthen the state's rural agricultural and non-farm economies.

Hsueh, L. Paul., and David S. Kidwell. "The Impact of a State Bond Guarantee on State Credit Markets and Individual Municipalities". *National Tax Journal* **41 (June 1988): 235-245.** Examines the overall effect of a state bond guarantee on state credit markets and individual municipalities within the state. The program which guarantees Texas school district bonds is the focus of empirical analysis and findings revealed that this guarantee program enables the Texas districts to receive triple A-credit ratings, but the bonds sell at interest costs similar to natural double A-bonds.

Huffman, Wallace E., and Mark D. Lange. "Off-farm Work Decisions of Husbands and Wives: Joint Decision Making." *The Review of Economics and Statistics* **71 (August 1989): 471-80.** A technical paper based on data from Iowa farm households. Farms included in the data set had gross farm sales of $2,500 or more in 1976. A theoretical model of labor-supply decisions is developed which serves as the basis for an econometric specification. The husband's probability of taking an off-farm job is greatest when young and declines with age. The older the wife, the more likely the husband will seek off-farm employment. Children decrease the probability husband or wife will seek off-farm employment as does greater income from assets.

Humphrey, Craig R., Rodney Erickson, and Edward J. Ottenmeyer. "Industrial Development Groups, Organizational Resources, and the Prospects for Effecting Growth in Local Economies." *Growth and Change* **19 (Summer 1988): 1-21.** This study attempts to measure the determine the effectiveness of local economic development groups as measured by cost per job created and by the impact on the general service area. A national survey of development program directors provided considerable information on service area, resources, and effectiveness. A total of 306 directors responded to the survey. From the data, an attempt was made to estimate the effect of development efforts on economic change during the period 1977 to 1982. The median number of new jobs created was 363, 250 of which were in manufacturing. Only 24 percent reported being able to prevent any business from closing during the period. Assuming that the directors who did not report on jobs created actually created zero jobs, the average cost per job was $1,086. Using the median reported expenditure per job and the median jobs created yields a figure of $1,343 per job. When looking at standard deviations for variables in the analysis, it is clear that there is enormous variation in development groups and the areas they service. Greater employment growth was experienced by development groups operating away from metropolitan areas, in low wage manufacturing wage areas, and in states with high growth rates. The length of time a development group had been in operation had no significant impact on job creation.

Ibrahim, A. B., and J.R. Goodwin. "Perceived Causes of Success in Small Business". *American Journal of Small Business* **11 (Fall 1986): 41-50.** This pilot study endeavors to empirically identify variables associated with successful small businesses. The sample includes data collected by questionnaire and interviews of 74 small firms in Montreal. In addition, a study of 70 small firms located in Burlington, Vermont and Plattsburgh, New York. This replication study was made to determine whether the variables identified were duplicated in both areas. Key factors in the success of small businesses included entrepreneurial behavior and managerial skills. However, this underscores the role of business schools and entrepreneurial education. Creativity, ability to make decisions, and persistence were identified as key traits in successful managers.

Illinois. Illinois Citizens Assembly. The Citizens Council on Economic Development. *Annual Report.* **Springfield, IL, 1986.** This report describes details of policy issues addressed by the Citizens Council of Economic development. Includes sections on Illinois exports, industrial revenue bonds, the impact of the Gramm-Rudman-Hollings Act, public pension funds and economic development, and council recommendations.

Illinois. Illinois Citizens Assembly. The Citizens Council on Economic Development. *Annual Report.* **Springfield, IL, 1987.** This report details various areas of public policy addressed by the Council, including issues relating to Tax Increment Financing Districts, Tourism Promotion, International Trade and its Impact on the Illinois Economy, Public Pension Funds and Economic Development, Industrial Revenue Bonds, the Impact of Gramm-Rudman-Hollings, and Council recommendations.

Illinois. Illinois Commerce Commission. *The Impact of Economic Development/Incentive Utility Roles on Illinois Businesses-With Special Emphasis on the Small Business Perspective.* **Springfield, IL, 1987.** This report analyzes the feasibility and appropriateness of promotional utility rates in relation to small businesses. Also combines an assessment of the impacts of the promotional rates reported to date. Issues discussed include relation to commission policy/orders, size/type of business impact, job creation/retention impact, new/existing customer impact, free rider impact, and impacts across service areas.

Illinois. Illinois Commerce Commission. *Incentive and Economic Development Rates: A Short-Term Strategy.* **Springfield, IL, 1985.** Discusses the concept of marginal cost of special economic development rates and incentive rates, which involve lowering the price of electricity in order to promote sales to a targeted customer class. A general framework for the evaluation of these rates is also discussed.

Illinois. Commission for Economic Development. *A Guide to Statewide Economic Development Organizations.* **Springfield, IL, 1984.** This report, compiled by the Commission, includes public and private organizations actively involved in statewide economic development. This publication provides an overview of economic development activities in Illinois and can also be used as a reference guide for use in solving constituent problems.

Illinois. Illinois Commission on Intergovernmental Cooperation. *The Public Finance Articles of the 1970 Illinois Constitution: A Background Paper for the Committee of 50 to Re-examine the Illinois Constitution.* **By J. Fred Giertz. Springfield, IL, 1987.** This paper analyzes the most important features of Articles VIII and IX of the 1970 Constitution, which details the ways Illinois administers public finances.

Illinois. Illinois Department of Commerce and Community Affairs. *Corridors of Opportunity: Annual Report.* **Springfield, IL, 1987.** Discusses the historical perspective and scope of the programs of the Corridors of Opportunity Councils.

Illinois. Illinois Department of Commerce and Community Affairs. Office of Urban Assistance. *Developer Incentives in Illinois Tax Increment Districts.* **Springfield, IL, 1988.** Identifies the eligible development incentives and provides examples of how certain Illinois cities have used tax increment financing as an economic development tool. This works by capturing the incremental increase in tax revenues (local property taxes and if eligible, state and local sales and utility taxes) from new private development to pay for public investment to assist that development.

Illinois. Illinois Department of Commerce and Community Affairs. *Enterprise Zones* **Springfield, IL, 1987.** This annual report provides information on the location of enterprise zones, investments made by companies in enterprise zones, jobs created or retained in companies, changes in population, per capita income, and unemployment, incentives and benefits for location in enterprise zones, statewide statistics on program accomplishments, and proposed activities.

Illinois. Illinois Department of Commerce and Community Affairs. *Enterprise Zone: Descriptions and Accomplishments.* **Springfield, IL, 1988.** Describes individual enterprise zones throughout the state, including background information, as well as data on product/service, new investments, job created, and jobs retained.

Illinois. Illinois Department of Commerce and Community Affairs. *Building Illinois: Five-Year Development Strategy.* **Springfield, IL, 1987.** This annual report presents a development strategy for the State of Illinois. Included are sections on the regions and corridors of opportunity; education; infrastructure; retention and retooling; labor-management relations; entrepreneurship, emerging business, and high technology; the service industry; Asian investments; non-cost factors; and agriculture and agribusiness.

Illinois. Illinois Department of Commerce and Community Affairs. *State of Illinois: Five-Year Economic Development Strategy.* **Springfield, IL, 1984.** This report presents an economic development strategy for the State of Illinois. The body of the report is organized into four sections: economic trends in Illinois, specific strengths in Illinois, accomplishments in economic development to date, and recommendations for future efforts.

Illinois. Illinois Department of Commerce and Community Affairs. *Jobs for the Future: Five-Year Economic Development Strategy.* **Springfield, IL, 1985.** This five-year economic development plan outlines a strategy to improve Illinois' economic prospects. The development strategy is organized in four sections: trends, challenges and opportunities (with details on the tax climate, labor force, education, transportation network, and natural resources), the plan of action for 1985 through 1989, and component area strategies.

Illinois. Illinois Department of Commerce and Community Affairs. *Guidelines for Determining the Feasibility of a Small Business Incubator.* **Springfield, IL, 1985.** As an aid to potential incubator sponsors and developers, this report offers guidance in determining the feasibility of a small business incubator. It is organized into two main sections on incubator market analysis and incubator implementation.

Illinois. Illinois Department of Commerce and Community Affairs. *Managing A Small Business Incubator.* **Springfield, IL, 1987.** This document provides guidelines on the management aspects of a small business incubator. It includes advice on incubator staffing, marketing, tenant selection, support services, business assistance, financial aid for tenants, operating budget guidelines, and other areas useful to a new incubator manager or management organization.

Illinois. Illinois Department of Commerce and Community Affairs. *Sell Illinois.* **Springfield, IL, 1983.** This publication catalogues DCAA tools for economic development and describes them to assist businesses and economic developers. This includes a description of the Illinois economy, an overview of economic development, and a directory of economic development programs and services.

Illinois. Illinois Department of Commerce and Community Affairs. *Sell Illinois.* **Springfield, IL, 1987.** This publication, an update of the previous publication, describes the Illinois economy, and provides detailed descriptions of the programs.

Illinois. Illinois Department of Commerce and Community Affairs. *Starting A Small Business Incubator: A Handbook for Sponsors and Developers.* **Springfield, IL, 1985.** This publication discusses the role and characteristics of the small business incubator, the steps for development, a guide to starting and managing an incubator, financial sources for incubator development, and reference case studies.

Illinois. Illinois Department of Conservation. *Outdoor Recreation in Illinois: The l983 Policy Plan.* **Springfield, IL: Illinois Department of Conservation, l983.** Rural areas in Illinois have many opportunities for economic development. An important advantage held by some areas is the potential for tourism. The scenic beauty or the physical characteristics of an area cannot be duplicated so rural areas have a decided advantage in providing recreational areas for urban residents. Recent figures show that tourism is increasing and will continue to be a strong industry in the near future. The outdoor recreation plan is an important document for rural policymakers because it presents the findings of an extensive study of the needs by region of Illinois. Local officials should be encouraged to review this plan to determine future directions. Cooperation between local governments and the Department of Conservation can be of significant help in formulating economic development plans for rural Illinois.

Illinois. Task Force on Private Sector Initiatives. *The Report of the Governor's Task Force on Private Sector Initiatives.* **Springfield, IL, 1984.** This document reports the findings of the task force in four main areas: education for employment, employment generation, essential human needs, and housing and community development.

Illinois Rural Planning Council. *The Revitalization of Rural Illinois Report and Recommendations of the Illinois Rural Planning Council.* **Springfield, IL: Illinois Rural Planning Council, undated.** Economic development is only one of several topics covered by this project and the number of recommendations is limited. Some have been implemented and others are no longer viable in their original form. The task force recognized the need for rural areas to receive assistance from state agencies on economic development issues. As of the date at which the report was prepared, the number of communities in rural areas of Illinois participating in the state projects was limited. The task force stressed two major needs in the economic development of rural areas. First is the need to retain existing industry by local government supportive programs. Second is the need to better prepare local communities in the attraction of additional industries. Two main reasons for the relatively low involvement of rural areas in economic development activities coordinated by state government have been identified. First is a general lack of awareness by local officials in rural areas of the many state programs available. Second is a lack of interest in some rural areas in economic development and programs aimed at stimulating jobs.

Ipson, Gordon. "A Small Town Revival Through Tourism: Jamesport, Missouri." *Economic Development Review* **7 (Spring 1989) 48-9.** A short case study of how tourism has strengthened the economic base. In this particular instance, the local Amish community was promoted as a tourist attraction. In addition to bed and breakfast and the conventional services associated with tourism development, the local Amish crafts have served as the basis for several stores. The community sought and received professional advise and assistance from the University of Missouri.

Jahr, Dale. "Rural Concerns and the National Policy Environment." *American Journal of Agricultural Economics* **50 (December 1988): 1078-84.** Includes a discussion of the shifts in rural political power. Argues that rural economic policy must recognize the global dimension to avoid the underutilization of resources.

Jensen, R. C., G. R. West, and G. J. D. Hewings. "The Study of Regional Economic Structure Using Input-Output Tables." *Regional Studies* **22 (June 1988): 209-20.** An application of the input-output technique to data from Queensland, Australia. There is a review of pst efforts to use holistic matrix descriptors to describe the economic structure of a region using input-output tables. Essentially an attempt to look at the input-output tables from a macro rather than a detailed micro viewpoint. Implementation relies upon an ordering of industries from primary to secondary and so forth. A regression equation is estimated to relate size of a cell to size of the regional economy. They conclude that an identifiable pattern occurs which suggests that there is a fundamental economic structure to regional economies. Suggests a household based view of activities rather than economic activity as defining the economic base of the region.

John, Dewitt. "Watering the Grassroots: Key to Successful Rural Economic Development." *National Civic Review* **77 (September/October 1988): 405-16.** The rural renaissance of the 1970's has ended abruptly with the 1980's because of strong dollar, the collapse of the energy boom, the credit squeeze, and the lower than expected growth in farm export markets. This article is a summary of the results of a study of 548 rural counties in North and South Dakota, Nebraska, Kansas, Oklahoma, Missouri, and Iowa by the National Governors' Association Center for Policy Research. The purpose of the study was to identify the factors which are important in employment growth. A total of fifteen variables were employed for the study period 1979-84. The study identified 16 high growth counties and identified eight factors in their growth. Recruitment and entrepreneurship were found to be effective when used together and not as competing strategies. Employment increases took place in both manufacturing and services. Manufacturing activities were bending metal, making consumer products, and activities related to the automobile industry. Progressive firms which developed new production techniques, new products, and new markets were also factors. Sustained economic development activities characterized 12 of the counties which indicates that overnight success is unlikely. Pro-growth attitudes with significant local leadership and involvement were also identified as keys to success. The successful communities used an entire range of development tools as opposed to specializing in only one or two. No single tool was found to be especially important. Finally, outside support was a critical factor. Of 102 firms, 48 had received some form of state or federal assistance. The general conclusion is that grassroots efforts are critical to successful rural economic development.

Johns, P. M., and P. M. K. Leat. "The Application of Modified Grit Input-Output Procedures to Rural Development Analysis in the Grampian Region." *Journal of Agricultural Economics.* **38 (May 1987): 243-56.** The empirical application of the model is to the Grampian region of Scotland. The purpose of developing an input-output model is to increase the understanding of the structure and functioning of a regional economy. The Generation of Regional Input-Output Tables (GRIT) model is a non-survey approach to modelling the regional economy. They develop the model in terms of both simple location quotients and cross-industry location quotients. Using the Grampian data, the results for each of the two approaches are compared. From the results, they are able to identify the activities on which the economy of the region is most reliant and identify linkages between them. They note that greater disaggregation is necessary to fully understand how best to promote rural development. However, they are able to identify industries with the greatest potential for enhancing development which are those with the greatest initial impact on income and employment.

Johnson, Kenneth M. "Recent Population Redistribution Trends in Nonmetropolitan America." *Rural Sociology* **54 (Fall 1989): 301-26.** This article examines the historical population trends in nonmetropolitan America with emphasis on the period 1980 to 1987. A good deal of summary data is provided. The 1980s clearly ended the period in which nonmetropolitan growth rates exceeded metropolitan growth rates. However, the nonmetropolitan population trends are no longer following the previous historical trends. In particular, many of the variables formerly associated with population declines are no longer significant. The new pattern is not exactly clear but it is evident that policies developed to combat the outmigrations of the pre-1950's need to be reexamined.

Johnson, Kenneth M. *The Impact of Population Change on Business Activity in Rural America.* **Boulder, CO.: Westview Press Inc., 1985.** This is a study of long-term population and business activity trends in the United States. It is unique in that population is regarded as an independent variable with important causal links with the level of business activity. Because it is national in scope, it does not deal specifically with Illinois demographic changes, but is important in placing those changes in perspective. The study is composed of three parts. First, a comparison of historical population changes in nonmetropolitan versus metropolitan areas during the period 1930 to 1970. Second, an analysis of the impact of this change in population on business activity. Finally, a discussion of the reversals in historic population trends since 1970 and an analysis of the impact on business activity in rural America are provided.

Johnson, Thomas G. "A Dynamic Input-Output Model for Small Regions." *The Review of Regional Studies* **16 (Winter 1986): 14-23.** A technical paper discussing a particular input-output model for regional analysis with the feature that it can track regional aggregates over time.

Katz, Joseph L., and Roger Buford. "Shortcut Formula for Output, Income, and Employment Multipliers." *Annals of Regional Science* **19 (July 1985): 61-76.** A technical article which develops shortcut formulas for developing input-output multipliers. While there is a some loss of accuracy there is a cost saving advantage to their use. The procedure employed is the random matrix approach. The theoretical derivation presented provides information on the importance and effects of the information that is missing from the matrices.

Kinsella, Timothy K. "Regional Economic Development Organizations and their Inter-Organizational Networks: Toward a Broadened View of Development". *Economic Development Review* **7 (Summer 1989): 14-19.** Focuses on regional economic development organizations in Cleveland which have proven to facilitate economic development. In addition to traditional activities, EDOs in Cleveland strive to improve firm efficiency, enhance the living and working environment, develop business enterprises and engage the participation of inhabitants in the economic process.

Kleiner, Morris M. "Metropolitan Area Labor Market Changes: Determinants and Comparisons by Industry." *Regional Studies* **19 (April 1985): 131-8.** The main focus of this paper is on whether workers employed in a sector where production is utilized outside the region respond to changes in the economic environment in the same way workers employed in a sector where output is utilized locally. Answering this question requires looking at the regional economy not as a whole but in terms of sectors. The findings are that workers do indeed respond differently depending upon which sector they are employed in. These results also suggest that labor market changes should be studied by sector rather than as a whole. While focusing on metropolitan areas, the paper may have implications for rural areas.

Knapp, Thomas A. and Phillip E. Graves. "On the Role of Amenities in Models of Migration and Regional Development." *Journal of Regional Science* **29 (February 1989): 71-87.** This is a review article of three main approaches to regional modelling: the demand-side, the supply-side, and the hedonic approach. The hedonic approach regard amenities as important determinants of wages and rents. The authors argue that research indicates that amenities enter both the demand and supply side. Future research should focus on the role of locational amenities in regional economic development.

Kottke, Marvin. "Estimating Economic Impacts of Tourism." *Annals of Tourism Research* **15, no. 1 (1988): 122-33.** Develops a linear programming model for estimating the economic development implications of tourism. The model is applied to New London County, Connecticut as an example. The particular formulation maximizes total gross income attributable to tourism. Examples of how the model can be used to estimate the impact of tourism are included. The examples illustrate how resource constraints, either natural or policy generated, can be taken into account.

Kubo, Yuji. "Urban Concentration and Rural Growth: A Two-Sector Model." *Journal of Regional Science* **26 (August 1986): 579-93.** A technical paper devoted to an investigation of the causes of urban concentration with implications for rural development. It is assumed that the urban sector production function exhibits increasing returns to scale while the rural sector exhibits constant returns to scale. The total economy is assumed to be small and open. Due to the instability of equilibrium, there is a tendency for population and capital to concentrate in one sector or the other. That is, once urban concentration begins, it will not be reversed by solely economic forces. That is, if population is to return to the rural areas, capital investment must also be directed to the rural area as well.

Kuehn, John A., Michael H. Porter, and Curtis H. Braschler. "Comparisons of Multipliers from Input-Output and Economic Base Models." *Land Economics* **61 (May 1985): 129-135.** This is a comparison of multipliers computed from nonsurvey, semisurvey, and economic base models with a discussion of caveats in their usage. A short and clear discussion of cautions is provided.

Kuehn, John A., and Lloyd D. Bender. "Nonmetropolitan Economic Bases and Their Policy Implications." *Growth and Change* **16 (January 1985): 24-9.** This paper describes the development of classifications for rural counties that can provide a guide for development policy. The classification system explored is one based on economic specialties. Their gaol is to develop a classification scheme that is related to policy initiatives, that groups of counties be homogeneous among themselves but distinct from other groups, related to policy objectives, and are stable. They find that over half of the nonmetropolitan counties have over 50 percent of the economic base in a single economic base sector. Also, nearly two-thirds are specialized in agriculture and manufacturing.

Langton, Stuart."Strengthening Citizen Participation and the Renewal of Community". *National Civic Review.* **76 (May/June 1987): 224-230.** Reveals strategies for improving citizen participation, which is deemed necessary for the community as a whole, to strengthen and balance our democratic society. Five such strategies are: constituency for the community as a whole, an agenda for civic improvement, a comprehensive participation process, programs for citizen empowerment, and primacy of community education.

Langston, Donald., David W. Rasmussen, and James C. Simmons. "A Note on Geographic Living Cost Differentials." *Land Economics* **61 (August 1985): 314-18.** This paper is an examination of the determinants of geographical cost of living differentials. It employs county data from the state of Florida. This differs from other studies which employ Bureau of Labor Statistics Urban Family Budget date. Two ordinary least squares equations are estimated, one based on rent theory and the other based on Cebuls's agglomeration/congestion model. There are brief descriptions of both theories.

Lawson, Michael. "The Impact of the Farm Recession on Local Governments". *Intergovernmental Perspective* **12 (Summer 1986): 17-23.** This article summarizes a study revealing the effects of the agricultural recession on the financial health of local government. This report by the Agricultural Commission on Intergovernmental Relations focused on a sample of 10 farm-dependent states: North Dakota, Iowa, Nebraska, Arkansas, Kansas, Georgia, Minnesota, Mississippi, Missouri, and Montana. Present or potential fiscal stress was determined by several indicators: evidence of insufficient state revenues to finance essential services, the degree of personal income derived from farming, growth rate of state revenues, cuts in state aid to education, local dependence on federal general revenue sharing, growth rate and changes in local revenues, dependence of local government on state aid, and dependence on property tax as main source of revenue. For the purpose of this study, fiscal stress is defined as "apparent when a sudden decline in revenue forces the jurisdiction to cut its expenditure levels or increase tax rates simply to maintain existing levels of service." Among the states in the survey, 9 had signals of fiscal stress at the state level, local level, or both. Only one state in the sample, Georgia, was considered fiscally trouble-free.

Leatham, David J., and John A. Hopkin. "Transition in Agriculture: A Strategic Assessment of Agriculture and Banking". *Agribusiness* **4 (March 1988): 157-165.** Study by the American Bankers Association (ABA) in assessment of the role of banks in providing credit and other financial services to the farm sector. Reviews trends in banking; projects future economic conditions in agriculture; assesses existing agricultural credit delivery systems; and addresses credit and banking policy changes needed to strengthen the ability of banks to serve changing needs of agriculture.

Leistritz, F. Larry, Holly E. Bastow-Shoop, and Brenda L. Ekstrom. "How Small Businesses in North Dakota Towns Adjust to Regional Economic Decline". *Small Town* **17 (May-June 1987): 4-13.** Examines selected characteristics of main street businesses in six of North Dakota's non-metropolitan trade centers, which lie in heavily agricultural areas. Specific aspects examined include customer base, business income, and net worth, managerial adjustments, and economic outlook of business proprietors. Focus on how these small communities have adjusted to regional economic decline.

Lenzi, Raymond. "The Community Economic Analysis Process: A Comprehensive Approach to Economic Development Planning." *Economic Development Review* **7 (Winter 1989): 38-9.** A brief assessment of the "Community Economic Analysis" model developed by Pulver and Shaffer. This is a practitioner oriented model based on Reilly's law of retail gravitation, trade area capture, pull factor analysis, potential sales capture, location quotients, population-employment ratios, shift-share analysis, employment multipliers, and income multipliers.

Leven, Charles L. "Analysis and Policy Implications of Regional Decline." *American Economic Review* **76 (May 1986): 308-12.** A critique of the theories of urban change.

Leven, Charles L. "Regional Development Analysis and Policy." *Journal of Regional Studies* **25 (November 1985): 569-92.**

Levy, John M. "What Local Economic Developers Actually Do: Location Quotients versus Press Releases". *APA Journal* **56 (Spring 1990): 153-160.** Data from a survey of local economic development agencies clearly indicate that the directors see sales activities (as opposed to rational models) the most important, the most time-consuming, and the most productive aspects of their work. Such as emphasis on sales is logical because the market for sites and structures is based on highly imperfect information. By improving market sites and structures, local economic development efforts can contribute to aggregate economic performance.

Lichter, Daniel T. "Measuring Underemployment in Rural Areas". *Rural Development Perspectives* **3 (February 1987): 11-14.** According to this study, nearly one-third of the rural labor force is underemployed by being out of a job, by working for low pay, or by working too many hours. However, only one-third of them count as unemployed. As a result, these discrepancies exert an implicit effect and hinder remedial efforts.

Lichter, Daniel T., and Janice A. Costanzo. "Nonmetropolitan Underemployment and Labor-Force Composition." *Rural Sociology* **52 (Fall 1987): 329-44.** Examines the factors that influence nonmetropolitan underemployment. Underemployment includes workers who are unemployed, work low numbers of hours, are underpaid, or are discouraged. The discouraged workers category includes workers who are not working because they cannot find a job and part-time workers who are looking for full-time employment. Specifically, it does not include those who are underemployed because of an occupational mismatch. In 1980, the percentage of underemployed workers in nonmetropolitan areas was 21.03 percent versus 16.71 percent in metropolitan areas. While the percentages are greater for all types of underemployment, the greatest difference is in the low income category which is almost 50 percent greater in nonmetropolitan areas. The compositional sources of underemployment are age-sex-race, education, and industrial mix. Of these, only education was a significant factor in explaining the differences in underemployment. Also, education explained about two-thirds of the difference in occupational mismatch. Education explained 30 percent of the differences in underemployment rates and 67 percent of the difference in occupational mismatch rates. The policy implication is that job training and education should be directed to underemployed workers as a part of economic development strategies in rural areas.

Liu, Jaunita C., Pauline J. Sheldon, and Turgut Var. "Resident Perception of the Environmental Impacts of Tourism." *Annals of Tourism Research* **14, no. 1 (1987): 17-37.** This is a summary of three case studies exploring resident's perception of tourism's impacts. The cases are from Hawaii, North Wales, and Istanbul. Surveys and interviews were used to gather the data for the studies. Residents of both Hawaii and North Wales rank environmental protection as the most important concern. In general, the study indicates the importance of incorporating resident perceptions into tourism development projects.

Lloyd, Robert C., and Kenneth P. Wilkinson. "Community Factors in Rural Manufacturing Development." *Rural Sociology* **50 (Spring 1985): 27-37.** This study explores the roles of community activeness and solidarity on economic development. The sample consists of 160 nonmetropolitan communities in Pennsylvania. The proposed linkage is that a community's attributes influence the probability that a community will take the actions necessary to provide the local infrastructure to attract manufacturing firms. The dependent variable is manufacturing employment from Dun and Bradstreet records in 1973 divided by 1970 population. Community activeness in terms of internal support is measured by per capita expenditures for streets, highways, and related developments. Activeness in terms of obtaining outside support is measured by per capita receipts of funds from state and federal economic development assistance programs. Community solidarity is measured by the presence of a number of items, among them an information or tourist office, a central green space, community recreational activities, and a local school system. Other variables which measure market access and linkages are also included. The study concludes that the community attributes of activeness and solidarity are important factors in the growth of manufacturing employment in rural communities.

Logan, John R., and Min Zhou."Do Suburban Growth Controls Control Growth?". *American Sociological Review* **54 (June 1989): 461-471.** Addresses restrictions and growth controls by municipal authorities. While "no-growth" restrictions are often taken for granted as a direct extension of zoning policies, various studies indicate that these policies have promoted inefficient patterns of development. This study is based on a survey of all municipalities over 10,000 in population. Population growth shows a positive association with income, education level, and distance from central city. Overall findings suggest that there was greater population growth in younger and lower-density communities and in communities with smaller numbers of long-term residents. Income increased more in smaller suburbs with higher levels of education, lower density, smaller black populations, and smaller proportions of long-term residents. Rent increased more in areas with higher income and education in younger metropolitan areas.

Long, Patrick T., Lawrence Allen, Richard R. Perdue, and Scott Kieselbach. "Recreation Systems Development in Rural Communities: A Planning Process". *APA Journal* **46 (Summer 1988) 373-376.** Focuses on a development project in rural Colorado, established to maintain a community recreation and tourism system to contribute to the quality of rural community living and to address local economic needs.

Long, Richard W. "Rural America: Perspective on Policy". *Public Administration Review* **46 (May/June 1986): 279-283.** Focuses primarily on the Rural Development Policy Act of 1980, which directs the Secretary of Agriculture to send Congress a rural development strategy or update each year. This requirement is intended to elicit policy statements in tune with an irreversible trend toward greater federal involvement in development, increasing commitments for aid programs, and greater federal coordination. While Rural America is no longer considered a pocket of economic distress, it has been recognized that rural regions are especially vulnerable to economic trends and the effects of macroeconomic policies.

Long, Richard W. "Rural America: Perspective on Policy." *Public Administration Review* **46 (May/June 1986): 279-83.** A discussion of the Rural Development Policy Act of 1980. Limitations in the basic approach of the policy and the expected problems that will emerge are discussed.

MacManus, Susan A. "Linking State Employment and Training and Economic Development Programs: A Twenty-State Analysis." *Public Administration Review* **46 (November/December 1986): 640-50.** This is an examination of the factors that give rise to higher levels of coordination of state development activities and greater emphasis on employment and training programs as opposed to reliance on inducements to physical capital alone. Illinois is one of the states included in the study. There is a summary table of state development activities for the twenty states. Of interest is that Illinois spent $1.25 per capita on promotional efforts in 1984-85 which is third highest. The only types of incentives not offered by Illinois were tax incentive for job creation and tax incentives for research and development. Eleven of the other states offered tax incentives for job creation and five offered tax incentives for research and development. The overall conclusion of the article is that states do not fully integrate and link human capital development into their economic development programs.

Malamud, Bernard. "Regional Economic Growth and Decline: The Supply-Side Contribution." *The Annals of Regional Science* **21 (July 1987): 1-20.** An examination of the major changes that have taken place in the last decade as they affect regional science. Provides a concise list of findings and conclusions from this examination.

Malekzadeh, Ali R., and Afsaneh Nahavandi. "Small Business Exporting: Misconceptions are Abundant". *American Journal of Small Business* **9 (Spring 1985): 7-15.** Discusses the lack of a U.S. national export policy based on a study of the export perceptions of 296 California manufacturers. Results showed that many manufacturers were misinformed about the cost and benefits of international trade, as well as the process of exporting itself.

Malizia, Emil E. "Economic Development in Smaller Cities and Rural Areas." *Journal of the American Planning Association* **52 (Autumn 1986): 489-99.** This paper lays out a framework for conceptualizing local development efforts. The key step is defining what economic development is in the context of the community. Argues that it is critical to base the definition on theory or theories that are appropriate to the community's local conditions and historical trends. Defines and describes the differences between growth theory and development theory. There is a discussion of the advantages and disadvantage of both theoretical approaches. Argues that growth strategies are short term and may not provide long-run improvements. However, the process is easier to understand and implement than a development approach. The final step in the process is to develop strategies. These strategies should be based on careful analysis of the local situation rather than copied from others. Both growth-based and development-based strategies are discussed. Notes that nonmetropolitan areas that specialize in agriculture, mining, primary products, and manufacturing may all experience more difficulties in the future. On the other hand the future is brighter for areas that serve tourists, students, military personnel, and retirees.

Malizia, Emil E., and Sarah Rubin. "A Grass Roots Development Strategy with Local Development Organizations." *Rural Development Perspectives* **1 (June 1985): 7-13.** Characteristics of successful local economic development organizations and how state government can enhance their effectiveness are explored. The findings are based on interviews with state officials, the staff of local development organizations, and business development consultants. Successful local development organizations are flexible, have strong and creative leadership, solid local support, adequate funding and competent staff. Three broad types of strategies: expanding existing industries; developing small business; and developing new enterprises are discussed. The authors argue the state role is crucial. In addition to their traditional roles of recruiting branch plants and providing financing the authors argue that government should also provide technical assistance and funding for local development organizations, finance local business development, and coordinate the activities of economic development agents.

Maos, Jacob O., and Israel Prion. "The Spatial Organization of Rural Services: An Operational Model for Regional Development Planning." *Applied Geography* **8 (January 1988): 65-79.** Develops a model to guide the spatial location of services in a rural area to provide the optimal coverage service for all residents in the entire area.

Marston, Stephen T. "Two Views of the Geographic Distribution of Unemployment." *Quarterly Journal of Economics* **100 (February 1985): 57-79.** Considers two divergent explanations for the causes of local unemployment. In the presence of barriers to free movement of labor, weak labor demand will raise the level of unemployment in a locality above the average. Differentials in unemployment rates are then the result of the barriers to labor mobility and would suggest public policy directed to reducing these barriers or policies to stimulate local demand for labor. On the other hand, if labor is free to move, then weak labor demand will result in a movement in labor to higher demand areas. Differentials in unemployment rates among localities in this case reflect individual preferences rather than uneven labor demand. Local policy to stimulate local demand may actually be self defeating. One conclusion of the paper is that unemployment differentials are not primarily the result of shocks to labor demand. The barriers to labor movement hypothesis is not vindicated. The empirical results are that the average rate of migration is higher the larger the difference in unemployment rates. Unemployment generated by labor demand shocks do not extend beyond a year's time. Areas with high unemployment are those with high wages and attractive amenities.

Martinez, Doug. "Market Areas Help Describe Rural Economy". *Farmline* **10 (July 1989): 10-12.** Citing a case study in Tennessee, this paper discusses that effective strategies to "spark" economic growth in rural communities may be more effective when "linked" to local labor markets.

Martinez, Doug. "High-Tech Industry Not the Answer for All Rural Areas". *Farmline* **9 (November 1988): 8-9.** Advantages and disadvantages associated with luring high tech companies into local areas. While such companies may offer a wide range of new jobs, rural areas may be disappointed to find that there are few high-paying positions and that the majority of the jobs are for lower skilled workers with lower wages. Includes suggestions on what kind of industries are best-suited to rural areas.

Martinez, Doug."The Boom Has Faded and Many Rural Areas Lag Behind". *Farmline* **6 (April 1985): 12-13.** Discusses the lag of employment growth in rural and small town communities behind metropolitan area growth. This lag can be attributed to the dependence these areas have on slow-growing non-durable goods manufacturing, agriculture, and mining, rather than on fast-growing service businesses.

Martinez, Doug. "Farm Policy Shifts: Trouble for Rural Counties?". *Farmline* **6 (April 1985): 14-15.** Although analysts of the USDA's Economic Research Service stated that changes in farm commodity policy would not seriously affect the majority of the nation's rural communities, 700 counties are considered farm-dependent, and of those nearly 500 received large per capita outlays from federal farm commodity programs. Areas that are sparsely populated and have a high dependence on farming will be most severely affected. This includes communities in states such as Illinois, Iowa, Nebraska, North Dakota, and South Dakota.

Mathur, Vijay K., Sheldon H. Stein, and Rishi Kumar. "A Dynamic Model of Regional Population Growth and Decline." *Journal of Regional Science* **28 (August 1988): 379-95.** A technical paper developing a dynamic model of regional migration which incorporates earnings differences and amenities into an equation explaining migration. Assuming that at low levels of population an increase in population increases amenities, they show that a critical mass of population may be necessary to sustain the population level in a region.

McNamara, Kevin T., and Gary P. Green. "Local and Regional Economic Development Planning and the Role of Community Development Practitioners". *Journal of the Community Development Society* **19 (1988): 42-55.** Surveys planning district commissioners in the southeastern region to analyze commission involvement in economic development for the evaluation of the responses of local and regional governments to changing economic options with broad-based development strategies. Some commissions are involved in traditional industrial recruitment activities, yet few use strategies that recognize and build on local and regional strengths for alternative types of economic growth. This suggests that community leaders have not become totally aware of the need to alter local development strategies to meet the needs of a changing social and economic environment.

Miller, H. Max., E. Evan Brown, and Terence J. Centner. "Southern Appalachian Handicraft Industry: Implications for Regional Economic Development." *The Review of Regional Studies* **16 (Fall 1986): 50-8.** An unusual study of the handicraft industry based on survey data. The information gathered was on how people got into the occupation, how involved they were, the economic impact, and legal considerations. The legal considerations arise from The Fair Labor

Standards Act, portions of which deal with restrictions on home production. A table of earnings by craft is presented. Total yearly craft income for full-time participants ranges as high as $29,575 for jewelry to a low of $8,947 for leather. The average yearly income is $13,519. The authors argue that crafts may be of special importance in declining rural areas. There is a caution that local circumstances are critical to the prospects for this type of highly specialized activity. The characteristics that are associated with highly specialized industries such as the craft industry and the shared characteristics of the product are presented. The conclusions provide a summary of the implications of the data on crafts.

Miller, James P. "The Product Cycle and High Technology Industry in Nonmetropolitan Areas, 1976-1980." *The Review of Regional Studies* **19 (Winter 1989): 1-12.** The data employed in this study was from the U. S. Establishment and Enterprise Microdata set constructed by the Brookings Institution for the U. S. Small Business Administration. Metropolitan areas were favored by high-tech industries. Nearly six times as many jobs were created in metropolitan areas by high tech industries as in nonmetropolitan areas. Of the jobs created in nonmetropolitan areas, most were controlled by nonregional corporations. Fewer than half the high tech jobs created in metropolitan areas were controlled by nonregional corporations. Those high tech industries attracted to nonmetropolitan areas were defense related, dependent on natural resources, or were involved in production which was judged noxious. The study argues that high technology firm's have a life cycle much like traditional manufacturing firms. They are attracted to metropolitan areas when they start to take advantage of agglomerative effects. Metropolitan areas also allow firms to be in proximity to customers, professional and technical workers, venture capital, and other firms. High tech operations in nonmetropolitan areas are more likely to be branches of urban based corporations that have opened routine assembly plants to take advantage of less expensive land, labor, and other inputs. While high tech firms will eventually shift more of their operations to nonmetropolitan areas, they are likely to demand unskilled, low-wage labor and not offer any income advantages over the manufacturing enterprises attracted there in the past.

Miller, James P. "Rethinking Small Businesses as the Best Way to Create Rural Jobs". *Rural Development Perspectives* **1 (February 1985): 9-12.** According to recent studies, branches of large corporations create more than half of new jobs in rural areas. Many areas try to encourage small local firms as sources of new jobs, but small business investment strategies must consider that many of these jobs are insecure because of the rate of failure among new firms. Thus when local planners map out economic development, both corporate affiliates and independent firms must be considered to determine which would be best for certain areas.

Milman, Ady., and Abraham Pizam. "Social Impacts of Tourism on Central Florida". *Annals of Tourism Research* **15 (1988): 191-204.** Investigates the perceptions of Central Florida residents of the social consequences and impacts of tourism. This study, based on a telephone survey of 203 Central Florida households, revealed that residents not only supported the current magnitude of tourism, but also favored its expansion.

Morgan, William., John Mutti, and Mark Partridge. "A Regional General Equilibrium Model of the United States: Tax Effects on Factor Movements and Regional Production." *The Review of Economics and Statistics* **71 (November 1989): 626-35.** This paper recognizes that most of the factors that influence business location cannot be controlled by government. Government's main tool is tax policy, which varies widely across regions of the United States. The level of analysis are the six standard regions of the U.S. Several policy alternatives were considered: all regional taxes removed; unilateral removal of regional taxes; and removal of all federal and regional taxes. When all regional taxes were removed there was no net U.S. growth but economic growth was centered in New England-Mideast and Far West regions. From this result, the conclusion is that tax policies in the Southeast and Southwest have accelerated economic growth in those regions. When each regional tax is removed individually, the results are as expected, growth is greater than in the case when all regions remove their taxes. In the final scenario, all regional and federal taxes are removed to determine the distorting effect of federal taxes. Total U.S. growth in this case is .6 percent. Growth is now greatest in New England-Mideast and Great

Lakes regions. The Southwest and Southeast experienced the greatest declines in growth. This suggests that federal tax policy favors the growth of the Southwest and Southeast regions at the expense of the New England and Great Lakes regions.

Morris, Charles., and Mark Drabenstott. "Financing Rural Businesses: What Role for Public Policy." *Economic Review* **74 (September/October 1989): 30-45.** This study discusses the necessity of rural development programs designed to increase the availability of rural credit. There has been a noticeable slowdown in the growth of rural credit in current years which has lead policymakers to conclude that some form of rural credit assistance is necessary. The authors dispute this conclusion based on an empirical analysis of rural lending over the period 1970-87. They conclude that the slowdown in rural lending is traceable to a slowdown in rural economic activity rather than a decreased willingness to extend credit by lending institutions. Rather than creating a public rural credit program, the authors recommend a policy approach that addresses three limiting factors in the market for rural credit. First is the development of secondary markets for rural loans. Another approach is to provide technical assistance to businesses in rural areas to strengthen their managerial and financial capabilities. Finally, the authors suggest the development of programs to provide more venture capital in rural areas and discuss several existing state programs. Advantages of these approaches over public financing of rural development are seen as greatly reduced costs and, by working with market forces, a strengthening of these forces and of economic trends.

Morrissey, Elizabeth S. *Characteristics of Poverty in Nonmetro Counties.* **Rural Development Research Report Number 52 Washington D.C.: USDA, July, 1985.** This is a short summary of the distribution and characteristics of poverty in the U.S. Illinois has no nonmetropolitan counties classified as having a high incidence of poverty. Such counties have an overall poverty rate, proportion of the population classified as poor, of 37.6 percent which is more than twice the national rate of 15.2 percent. All Illinois counties had either an average or low incidence of poverty. Nearly all of the Illinois nonmetropolitan counties having a low incidence of poverty are in the northern one-half of the state in a band west of the Chicago SMSA and north of a line running roughly from the Quad Cities to Peoria to Champaign-Urbana. These counties have a poverty rate of between 0 and 7.7 percent with an overall rate of 6.6 percent.

Mueller, Keith J. "Explaining Variation in State Assistance Programs to Local Communities: What to Expect and Why." *State and Local Government Review* **19 (Fall 1987): 101-7.** This study focuses on 19 state programs directed to assisting local communities. A summary of the programs and the number of states that use them shows that by far the most widely used types of programs are directed to single-family housing construction with 45 of the states using this type of aid. Providing local sales or income tax authority and improving local government access to credit markets were also important with 36 and 35 states, respectively, using these programs. Only three states provide programs for customized job training and only six provide aid with industrial or commercial site development. In general, economic development programs are not dominate forms of state aid to local distressed governments. Factor analysis yielded five factors on which thirteen of the programs were analyzed. The effects of independent variables on factors from the regression analysis show that programs are not affected by the same set of variables. In fact, no single set of independent variables was significant in explaining more than a single factor. The results suggest that state governments regard each program as unique and decisions are based on factors that differ between programs.

Mueser, Peter. "The Spatial Structure of Migration: An Analysis of Flows Between States in the USA over Three Decades." *Regional Studies* **23 (June 1989): 185-200.** This paper is a technical analysis of migration flows in the U.S. based on the 1960, 1970, and 1980 censuses. While reaffirming the importance of geographic distance as a determinant of population flows between regions, the study finds that other factors also play key roles. For example, areas with similar populations in terms of urbanization or race exchange relatively larger proportions of residents. Also, movements from low to high wage areas are large. Among other findings, it was found that the flows of population from one area to another were very stable. An implication of the analysis is that employing the numbers of migrants entering an area as a measure of attractiveness and the number leaving as a measure of ability to retain residents, may not be accurate.

Myers, Bill., Gary Peterson, and Ted Bradshaw. "Community Colleges Are Job Creation Vehicles in Small Towns". *Small Town* **17 (May/June 1987): 26-28.** Discusses options for struggling businesses, primarily the use of small business development centers. Focuses on 19 community college centers in Oregon, which offer business management assistance and incubator services.

National Center for Small Communities. *Harvesting Hometown Jobs: A Small-Town Guide to Local Economic Development.* **Washington, DC: National Association of Towns and Townships, 1985.** A general, nontechnical guide to economic development for small towns. Covers organizing, collecting and assessing community data, encouraging exisitng business, attracting new business and fund raising.

Nelson, Arthur C., and J. Richard Recht. "Inducing the Residential Land Market to Grow Timber in an Antiquated Rural Subdivision". *APA Journal* **46 (Autumn 1988): 529-530.** Examines approaches to increase resource productivity in antiquated rural subdivisions that were created after World War II, focusing on a case study in Portland, Oregon.

Nesbit, Dorothy Davidson and Douglas Dobson. *The Illinois Policy Survey: Citizens Views of the Illinois Economy* **DeKalb, IL: Northern Illinois University, Center for Governmental Studies, 1986.** This project is an on-going periodic public opinion survey of Illinois residents on selected issues. Several findings of the survey are particularly important for the study of rural Illinois. Nearly two-thirds of the Illinois residents responding indicated that "some aspect of the economy" was the major problem facing the state. This finding is especially important in rural areas given the poor state of agriculture and the decline in businesses in small communities in rural areas. Sixty-five percent of the respondents indicated that tax money should be used to provide low interest loans to help business and industry to finance startup costs. Roughly similar percentages indicated support for the use of tax money for training. The reduction in tax dollars to encourage business and industry locating in Illinois was supported by 58 percent of the respondents. Respondents were also very concerned about the environment and protecting it. More specifically, 40 percent of the respondents indicated that protecting the environment is more important than creating jobs. Efforts by the state government in economic development did not receive as high an overall rating. Only 38 percent responded that state efforts are excellent or good. Half of the respondents rated the efforts as fair to very poor. It is interesting to compare the findings by region within the state. The three rural portions of Illinois (northern Illinois, excluding Chicago, Cook County, and the collar counties) did not vary markedly from the balance of state in their assessment of the overall effectiveness or support for particular economic development strategies.

Nijkamp, Peter., Ronald Vab Der Mark, and Theo Alsters. "Evaluation of Regional Small Incubator Profiles for Small and Medium Sized Enterprises." *Regional Studies* **22 (April 1988): 95-105.** This study is of incubator projects in the European Community. The emphasis on small and medium sized enterprises derives from the view that they are critical vehicles of innovation and economic restructuring. The contributions of small and medium size enterprises are expected to be: increased employment; greater innovation; avoidance of direct competition with larger firms; small scale production leading to more firm creation; and a greater ability to adjust to changes. Eighteen European regions are included in the empirical analysis which identifies the incubator potential of the regions. It is found that restructuring areas, developed but changing the types of activities, have more potential for successful incubators than do peripheral areas which are attempting to develop. It is concluded that the peripheral areas' unfavorable geographic location will require more support in terms of technology and information centers directed to the needs of a wide variety of types of small and medium size enterprises if they are to obtain greater benefits from incubators.

BEST COPY AVAILABLE

Oates, Wallace E., and Robert M. Schwab. "Economic Competition Among Jurisdictions: Efficiency Enhancing or Distortion Inducing." *Journal of Public Economics* **35 (April 1988): 333-54.** This is a theoretical examination of the conditions under which local jurisdiction's competition for jobs and income enhance overall welfare rather than merely "beggar-thy-neighbor". The jurisdictions in the model select both incentives for new firms and environmental standards. Several variations of the basic model are considered. Of interest is that in the basic model where costs and benefits of public programs are clear and public decisions reflect the well-being of residents, that the outcome will tend to be efficient.

O'Huallachain, Breandan. "The Role of Foreign Direct Investment in the Development of Regional Industrial Systems: Current Knowledge and Suggestions for a Future American Research Agenda." *Regional Studies* **20 (April 1986): 151-62.** This is a timely discussion of the research questions raised by the increase in foreign direct investment in the U.S. There is a brief discussion of the historical pattern in foreign investment beginning the 1950s. In particular, the U.S. in recent years has changed from primarily a source of international investment to a site for such investment. There is also a discussion of research regarding the regional impact of foreign investment and of high technology industries. Finally, there is an outline of topics that would assist in focusing future research on the impact of foreign direct investment on American regional economic development. Some of the current evidence suggests that foreign investment is more likely to be directed toward the Sunbelt. A concern is expressed that there has been insufficient analysis of the impacts of state and local incentives on the location of foreign investment. The key issue is whether these incentives are increasing the flow of foreign investment or merely redirecting it between regions of the U.S.

Ollenburger, Jane C., Sheryl J. Grana, and Helen A. Moore. "Labor Force Participation of Rural Farm, Rural Nonfarm, and Urban Women: A Panel Update." *Rural Sociology* **5 (Winter 1989): 33-50.** A project to examine and explain differences in labor force participation rates of women. The participation data are from Nebraska for the year 1977, 1981, and 1985. Rural nonfarm women have decreased their labor force participation since 1977 and are far more likely to be at home or in school in 1985 than either urban women or farm women. Another striking change over the period is that farm women increased their full-time labor force participation rate from 13 percent to 31.3 percent between 1977 and 1981. Labor force participation rates for farm women are much more similar to those of urban women in 1985 than they are to nonfarm women. Still, urban residence remained one of the best predictors of female labor force participation. Characteristics such as age, family income, education, marital status, and preschool children had no consistent effect on participation rates. One of the implications of the analysis is that rural women are increasingly in need of support services provided to urban working women.

Oster, Clinton V., Jr. "Is Deregulation Cutting Small Communities' Transportation Links?" *Rural Development Perspectives* **4 (June 1988): 13-16.** Discusses the impact of deregulation in communities which may not have access to other means of transportation, with a focus on bus and airline deregulation.

Ottensmeyer, Edward J., Craig R. Humphrey, and Rodney A. Erickson. "Local Industrial Development Groups: Perspectives and Profiles." *Policy Studies Review* **5 (February 1987): 569-83.** Preliminary findings from a national survey of local industrial development groups conducted in 1984. A number of characteristics of these organizations are reported which provides a good overview of their nature and the context in which they operate. Most organizations, 59 percent, were formed after 1974. Only 8.8 percent serve more than a single county. Of the remaining organizations, 46.8 percent serve a single county and 44.4 percent serve an area within a single county, providing little evidence of regionalism. Government provided 41.1 percent of funding, more than twice the proportion of the next leading funding source. Fewer than 20 percent of the directors classified providing technical analysis, providing business incubators, preparing development objectives, or assessing impacts of development as very important activities. One-third operate with budgets of less than $10,000 per year and slightly more than one-third report no professional staff. They report a wide range of participants on local development boards. However, 44 percent of board members are either affiliated with a local retail store, local government, or a financial institution. Summaries of sources of ideas, financial incentives provided, interactions with other groups, and numbers of jobs created or saved are also provided.

Otto, Daniel M. "Economic Linkages between Agriculture and Other Sectors within Rural America." *American Journal of Agricultural Economics.* **68 (December 1986): 1175-80.** Provides a brief overview of earlier studies of the structure of agricultural. These earlier studies note that there are important sociological impacts of agricultural change affecting participation in rural communities. The study focuses on those counties identified by the USDA as farm dependent with 20 percent or more of salaries and wages coming from farming. Verifies the results of earlier studies that nonfarm income has been an important factor in the survival of many farm operations. Concludes that future farm policy must be coordinated more than in the past and must focus on depressed economic areas.

Park, Siyoung. "Quality of Life in Illinois Counties." *Growth and Change* **16 (October 1985) 56-69.** Quality of life is one of the important determinants of economic development. The study identifies a total of 27 characteristics related to the quality of life. These characteristics fall into six groups: health; social alienation; housing; education; public safety; and income and wealth. The study finds considerable variation in quality of life among counties. Noting a disparity between the northern and southern counties of Illinois, despite some improvement in the southern counties, it is suggested that this is evidence of a relationship between the quality of life and population growth.

Parr, John B. "The Development of Spatial Structure and Regional Economic Growth." *Land Economics* **63 (May 1987): 113-27.** A technical paper developing a model of spacial structure that recognizes the importance of the region's economy. A population density function is introduced to provide a more realistic treatment of a city center. The spatial structure of a region depends upon the locational characteristics of the dominant economic activity, economies of scale in production, agglomeration economies, and the transportation and communication systems.

Patton, Spiro G. "Tourism and Local Economic Development: Factory Outlets and the Reading SMSA." *Growth and Change* **16 (July 1985) 64-73.** This study is devoted to the Reading, Pennsylvania SMSA from the period 1978-83. Examines the role of factory outlets in stimulating local tourism and economic development. The outlets have been a high growth activity which has offset some of the declines in retail employment. They have also been responsible for a substantial portion of the large growth in local tax revenues because they have increased downtown sales and have allowed abandoned factories to be productively engaged.

Pelissero, John P. and James S. Granato. "Local Officials' Evaluations of State-Administered Community Development Programs." *State and Local Government Review* **21 (Winter 1989): 31-7.** This is a study of the effectiveness of state administration of the Small Cities Community Development Block Grant since the transfer of the administrative function from the Department of Housing and Urban Development in the early 1980's. The study set consisted of two groups of Texas local officials, professional administrators, and elected officials. The decentralization literature argues that states lack the administrative capacity to handle decentralized programs. However, earlier studies had suggested that state administration of CDBG was popular with local officials in several states. Three hypotheses are tested in this paper. First, local officials, whether elected or professional, will be satisfied with program. Second, satisfaction with administration of the program will depend upon whether the local official is elected or professional. Finally, the administration of the state program will lead to political conflict at the local level. The first hypothesis was accepted. For the second hypothesis, elected officials were very pleased with the state administration while professional administrators preferred the federal program. Finally, a majority of respondents were dissatisfied with the control of the program review boards made up of local officials.

Perdue, Richard R., Patrick T. Long, and Lawrence Allen. "Rural Resident Tourism Perceptions and Attitudes". *Annals of Tourism Research* **14 (1987):420-429.** Analyzes data from 5 Colorado communities which depend on tourism for at least 25 percent of their retail sales with the purpose of examining the influence of participation in outdoor recreation on tourism perceptions and attitudes of rural residents. Contrary to the hypothesis, this study shows that there are no differences in the attitudes and perceptions of participants and non-participants toward tourism.

Peters, Sue. "Leadership Wayne County: Stemming Decline, Encouraging Development." *National Civic Review* **77 (November/December 1988): 530-42.** A case study of a program to develop local leadership in Wayne County, Indiana. The program originally identified local leaders and provided them with a training program to develop leadership skills, to learn community characteristics, and to learn how they can make contributions. Overtime, however, the program has extended itself into the local high school with plans for even further expansion into the lower grades. A significant feature is that the problems addressed in the projects have not been confined to a single area but have touched on nearly every aspect of community life.

Peterson, Robert A. "Small Business Management Assistance: Needs and Sources". *American Journal of Small Business* **9 (Fall 1984).** Reports the results of a nationwide survey of 793 small business owners and managers regarding their management assistance needs and sources. Of 15 business decision areas investigated, the greatest perceived need was found to be in long-term business planning.

Phillips, Richard A., and Jonathan I. Silberman. "Forecasting Recreation Demand: An Application of the Travel Cost Model." *The Review of Regional Studies* **15 (Winter 1985): 20-5.** This paper presents a method for forecasting recreational demand based on an extension of the travel cost model. In the empirical analysis, all variables were found to be significant. The number of visitations was not sensitive to travel cost. The main point of interest is that the model is relatively inexpensive to use. Most of the data is readily available from published sources. The main cost is the development of the empirical model for the particular locality which should make it useful for smaller planning offices with limited resources.

Phillips, Phillip D. "Economic Development: A Marketing Approach". *Economic Development Review* **7 (Winter 1989): 31-34.** Examines marketing as the essence of most economic development agency programs and describes a comprehensive strategic approach to marketing.

Podursky, Michael., and Paul Swaim. "Duration of Joblessness Following Displacement". *Industrial Relations* **26 (Fall 1987): 213-226.** An empirical study using the Weibull regression model to test for demographic differences in the duration of joblessness after displacement. Full-time non-agricultural workers displaced between 1979-1981 were the focus of the study. It was further determined that workers with high reservation wages who wanted to wait for better offers did not bias this study. Nor were the "jobless" simply older workers nearing retirement who faced job discrimination. The findings revealed that workers with long spells of joblessness face bleak prospects for re-employment and in fact, many displaced workers eventually may become dislocated.

Ponte, Robert. "An Economic Development Approach for Small Cities." *Journal of the American Planning Association* **52 (Summer 1986): 349-55.** A discussion of a development plan for small cities. Of interest because it presents a clear summary of the steps involved in a market-oriented approach to development. The six main steps are: to determine the current economic situation; to determine existing strengths and weaknesses; to develop a set of goals for adding to strengths and reducing weaknesses; to determine alternatives for development; to select strategies; and to develop a specific program for implementation.

Pryde, Paul L., Jr. "The Use of Existing Assets to Fund New Development Lending". Public *Public Management* **67 (December 1985): 13-14.** Describes two ways cities can use existing assets to generate private investment for local job and tax-creating ventures: recycling development loans and funding development deposits with pension assets.

Pulver, Glen C. "The Changing Economic Scene in Rural America". *Journal of State Government* **68, no. 5 (1986) 3-8.** Rural America can attract new development projects if they have access to knowledge, capital, and technical assistance. This article identifies sources of future economic growth as well as prospects to generate economic growth.

Pulver Glen C., and Glen R. Rogers. "Changes in Income Sources in Rural America." *American Journal of Agricultural Economics* **68 (December 1986): 1181-87.** Documents the changes in sources of rural personal income from 1929 to the present. Concludes that there is no great regional variation in relative dependency on farm income between regions of the U.S. economy. Critiques the USDA's classification of farm-dependent counties as those in which 20 percent or more of wages and salaries are earned directly from farming. On the basis of a narrower definition of dependency, 20 percent or more of personal income coming from farm earnings, 307 counties are found to be farm dependent. Of the 307 counties identified by this definition, 164 are in the plains state. In general they find that the most farm-dependent counties are in grain producing areas. Noting the differing effects of deregulation of airlines, privatization in communications, fiscal policy, monetary policy, tax policy, and social welfare programs between urban and rural areas, they argue for a comprehensive rural economic development policy that recognizes the importance of nonfarm income and does not focus solely on farming.

Puu, Tonu. "On Growth and Dispersal of Population." *The Annals of Regional Science* **23 (October 1989): 171-86.**

Rathge, Richard W., F. Larry Leistritz, and Gary A. Goreham. "Farmers Displaced in Economically Depressed Times". *Rural Sociology* **53 (Fall 1988): 346-356.** Compares the socioeconomic characteristics of a sample of displaced farm households in North Dakota with a random sample of producers who were currently operating farm enterprises. Findings show that farmers displaced between 1981 and 1985 for financial reasons did not operate differently from their currently operating counterparts. Although the personal characteristics of operators revealed statistically significant differences, these had limited explanatory power. Thus, the authors concluded that researchers should shift their attention to macrolevel variables as a means to characterize displaced farmers.

Rank, Mark R., and Thomas A. Hirschl. "A Rural-Urban Comparison of Welfare Exits: The Importance of Population Density." *Rural Sociology* **53 (Summer 1988): 190-206.** Rural residents tend to stay on welfare for shorter periods than do their urban counterparts. This article attempts to determine the factors that explain this difference. The hypothesis is that population density is the primary factor. The study concludes that population density is indeed the deciding factor. A descriptive presentation lists a number of potential factors with education, employment, race, family structure, number of programs enrolled in, and length of enrollment in a welfare program as significant factors. A regression analysis was conducted to predict the likelihood of exiting from welfare programs. Living in a county with a high percentage of rural population, having a high school diploma, being employed, and being single all were significant factors in increasing the likelihood of coming off welfare. On the other hand, being a female head of household and being enrolled in all three of the welfare programs considered were significant in decreasing the likelihood of coming off welfare. The results indicate that programs directed to poor rural residents should differ from those directed at their urban counterparts. In particular, a welfare program in less likely to be effective in reducing rural poverty than urban poverty.

Reich, Robert B. "The Rural Crisis and What to Do About It". *NRECA Management Quarterly* **(Winter 1987-88): 34-39.** Discusses options for rural America and the need of job retraining in these areas. According to Reich, rural economic development concentrates on the removal of the key barriers in rural transportation, rural communication, rural technology extension, and rural training and retraining.

Richter, Linda K. "State-Sponsored Tourism: A Growth Field for Public Administration". *Public Administration Review* **45 (November/December 1985): 832-839.** Examines a relatively new, non-traditional responsibility for the government: state-sponsored tourism development. This study explores the new role of the state and public administration. Tourism is considered a "smokeless industry", labor-intensive and elastic and in the United States has become the second largest retail industry. In 46 states, it is one of the top three sources of revenue and is the leading source in four U.S. territories. Thus, tourism is expected to grow, affecting revenues, employment opportunities, and the quality of life.

Rietveld, Piet. "Infrastructure and Regional Development." *Annals of Regional Science* **23 (December 1989): 255-74.** A review of the treatment of infrastructure in operational regional models of economic development. The theory regarding the relationship between the transportation infrastructure and regional development is summarized. Infrastructure has been incorporated into development models through the production function, through its effect factor mobility, and through its effect on interregional trade. The discussion indicates that infrastructure exhibits decreasing return to scale and tends to exhibit a pattern where new innovations of infrastructure displace older forms. An infrastructure improvement need not benefits all regions and may actually have negative impacts on some. Infrastructure improvements do not guarantee regional development. Improvement of the infrastructure can redistribute development, can generate development, and does have more than one dimension. Causality is not one way. That is, improvements in infrastructure can either be the result of development or generate development.

Robert, John R. "Perceptions and Reality in Economic Development". *Economic Development Review* **7 (Winter 1989): 22-25.** Investment trends for regional and local economic growth are examined and the need to maintain and improve the quality of life in a community is emphasized, rather than bolstering development just for the sake of it.

Roso, Anthony. "Stimulating Regional Economic Development in Colorado". *Economic Development Review* **7 (Summer 1989): 27-30.** Examines the progress in Colorado, the result of effective economic development strategies and planning.

Ross, Peggy J. and Bernal L. Green. *Procedures for Developing a Policy-Oriented Classification of Nonmetropolitan Counties,* **Economic Research Staff Report Number AGES850308 Washington, DC: USDA, August 1985.** This report describes the statistical procedures employed to develop the classification scheme for nonmetropolitan counties reported in Research Report Number 49. The report also cites an important factor in the failure of past rural development programs as "the lack of an adequate rural data base on a broad range of rural conditions to guide the policy-making process".

Rubin, Barry M., and C. Kurt Zorn. "Sensible State and Local Economic Development". *Public Administration Review* **45 (March/April 1985): 333-339.** Citing an example from Fort Wayne, Indiana's General Motors plant, this article discusses alternative strategies for economic development to promote more efficient growth. Studies show that many initiatives undertaken by state and local governments have sizeable hidden costs which must be considered when making planning decisions. In general, controllable factors were found to have little or no effect on a firm's locational decisions. Policy makers should concentrate efforts on firms that find the controllable factors significant on the margin, rather than offering incentives that will not affect the decision.

Rubin, Herbert J. "Local Economic Development Organizations and the Activities of Small Cities in Encouraging Economic Growth." *Policy Studies Journal* **14 (March 1986): 363-88.** The article presents a model of the effects of a local economic development organization on economic development based on a cross-sectional survey of 156 Illinois municipalities. The data was collected by telephone or face-to-face interviews with the mayor and the chief economic development officer with a followup mail survey of the Directors of Chambers of Commerce. A concise review of the literature is included. The dependent variable was the number of economic development actions undertaken. Three actions scales were developed: internal action scale; external action scale; and a total action scale which combined external and internal actions. Only minor differences between the three dependent variables were found. The discussion focuses on total the scale which identified a total of 18 development actions. The overall conclusions is that the existence of an economic development organization does increase the number of development activities undertaken. The analysis also suggests that perceptions of cooperation, belief that people are knowledgeable about what actions to take, and that actions are likely to be effective all increased the probability action would be taken.

Rubin, Irene S., and Herbert J. Rubin. "Economic Development Incentives: The Poor (Cities) Pay More." *Urban Affairs Quarterly* **23 (September 1987): 37-63.** The survey data for this study is of city managers in 178 Illinois cities, excluding Chicago. Other data comes from the 1986 Illinois Revenue Survey and the 1980 census. Four factors are identified as influencing a community's willingness to offer financial incentives to business. Low income and high unemployment, good administrative and legal capacity, city financial difficulties, and rapid growth all tend to increase the likelihood that business incentives will be offered. Incentives themselves are rated as to the extent to which they impose direct costs, are open or hidden, and require special local administrative capacity to implement. A summary table , indicating the number and percentage of cities using each incentive is presented. The most widely used incentives were revenue bonds (51 percent) and reduced water rates for bulk users (41 percent). Other incentives, used by over twenty-five percent of the cities, were: new street construction; water improvements; sewer or sanitary improvements; and street repairs. This set of incentives are all infrastructure improvements. Direct loans were used by only 9 percent of cities. Eleven percent of cities reported using tax increment financing and property tax abatement. From the analysis it is found that poor cities tend to use the costlier subsidies and, hence, pay more to attract economic development.

Rubin, Herbert J. "Symbolism and Economic Development Work: Perceptions of Urban Economic Development Practitioners" *American Review of Public Administration* **19 (September 1989): 233-48.** This is a discussion of the frustrations of economic development practitioners. Long lead times before success is known, serving as scapegoats, lack of credit for success, and other conditions of the job are some of the factors that cause frustration.

Schneider, Mark. "The Market for Local Economic Development: The Growth of Suburban Retail Trade, 1972-1982." *Urban Affairs Quarterly* **22 (September 1986): 24-41.** This article concludes that the most important single factor in the growth of local retail trade is location, not the general expenditure/tax policies of the local governments. Of the specific community factors that impact on retail trade, population growth is the most significant. In general, the conclusion is that the suburbs studied have little control over retail sales.

Schwab, Jim. "You Can't Get There From Here". *Planning* **53 (July 1987): 26-29.** Discusses the implications of deregulation, which has spread since the 1970s. This article examines the deterioration of transportation in Iowa, calling for more state-wide efforts to ensure that rural people can get from here to there.

Scott, M. J., and O. S. Goldsmith. "Assessing Regional Econometric Models." A Discussion and Application." *The Annals of Regional Science* **21 (March 1987): 1-21.** A technical paper that argues for the use of Theil-type U statistics in the testing the forecasting accuracy of regional econometric models. The paper reviews those test which are commonly used for model testing.

Seroka, Jim. "Inter-Rural Administrative Cooperation: Issues and Opportunities." *National Civic Review* **79 (March/April 1990): 138-51.** This study is a critique of American policy toward rural areas. A major problem of rural areas is a lack of administrative capacity relative to other areas. Discusses the reasons for the lack of rural political power, noting that communities do not cooperate and that representative districts are not drawn to take into account rural interests. While not criticizing the spirit of volunteerism in rural America, the paper still notes that it often puts rural areas at a disadvantage in terms of services. Most importantly, it may rob rural areas of the administrative skills needed to deal with the special problems of rural life. Notes some key facts regarding rural communities that intergovernmental agencies must recognize. There is a strong advocacy of the circuit-rider concept as a means of cost effectively delivering services in rural areas. Argues for participation in intergovernmental programs on a subscription basis both for cost recovery and to ensure that intergovernmental agencies remain responsive to the rural clientele they serve rather than some other authority. Suggests an extension approach to provide training and expertise. A focus should be on developing the local administrative talent with circuit riders and on-the-job certification programs. Finally, rural community interaction should be fostered to prevent the isolation of rural communities and their problems.

Seroka, Jim. "Community Growth and Administrative Capacity". *National Civic Review* **79 (March/April 1990): 42-46.** One of the major factors affecting growth in small towns and rural communities is administrative capacity and public infrastructure. An initial investment would be required to build up the capacity, but would eventually contribute substantially to a community's potential for growth.

Seyfrit, Carole L. "Migration Intentions of Rural Youth: Testing an Assumed Benefit of Growth." *Rural Sociology* **51 (Summer 1986): 198-211.** This article addresses one of the most often cited rationales for local interest in economic development, to keep young people in the rural community. The study uses data gathered from high school seniors in Utah. The study found that there was no difference in the proportion of students planning to leave the local area between high and low growth areas. There is a good discussion which summarizes the literature and the issues surrounding the retention benefits of economic growth.

Sheehan, Michael F. "Plant Closing and the Community: The Instrumental Value of Public Enterprise in Countering Corporate Flight." *American Journal of Economics and Sociology* **44 (October 1985): 423-33.** Argues that most plant closings in New England and the Upper Midwest were to cut labor costs and obtain government subsidies. Also argues that in some cases the threat of plant closings were used to extract concessions from labor and local government. Investigates the idea that an answer might be in municipal operation of such facilities.

Shieh, Yeung-Nan. "Demand, Location and the Theory of Production." *The Annals of Regional Science* **23 (July 1989): 93-103.** A technical paper in which the firm's objective is to maximize profits and is free to choose the location of production. If the distance from the market for output is fixed, the location of the firm does not depend upon the demand for output if the expansion path passes through the origin and is linear. If the firm can vary the distance from the output market, the profit-maximizing location does not depend on the demand for output if production is linearly homogeneous.

Slottje, D. J., and K. J. Hayes. "Income Inequality and Urban-Rural Migration." *The Review of Regional Studies* **17 (Spring 1987): 53-6.** An analysis of population shifts between the Northeast and the North Central regions and the South and West regions to determine the relationship between income inequality and population shifts. The measure of income inequality is a Gini coefficient. The empirical tests attempt to determine the effects of income, level of unemployment, population, and state on the coefficient. The findings are that the migration to rural areas did not alter the inequality of income between states.

Smith, Eldon D. "Reflections on Human Resources in the Strategy of Rural Economic Development." *The Review of Regional Studies* **19 (Winter 1987): 13-22.** A critique of past public policies and a suggestion that education be examined as a means of spurring economic development in distressed areas. For illustration of the concept, the Appalachian region is discussed. Points out that in one nine county area one-third of the labor force is underemployed and thirteen percent never found a fulltime job for longer than a month despite excellent access to transportation and an employment boom. Argues that the employment expansion resulted in the hiring of more outside workers rather than local workers. Argues for a connecting of education and employment opportunities. The current failure in local education could be remedied by attracting employers to the area who would use the skills of the local labor. In effect, the development effort must take into account the attributes of the labor force existing in the area to be effective in employing local workers and in stimulating the educational system.

Smith, Stanley K., and Bashir Ahmed. "A Demographic Analysis of the Population Growth of States, 1950-1980." *Journal of Regional Science* **30 (May 1990): 209-27.** This article explore the reasons for differentials in population growth rates among the states. Each of the three factors in population growth: birth, deaths, and migration are explicitly considered using the factorial projections method. For each of the forty-eight contiguous states, life expectancy and fertility rates are reported. The empirical analysis is for each of the decades 1950-60, 1960-70, and 1970-80. The results are indicated in terms of the percentage of total population changes that can be explained by each of five factors. For Illinois in the decade 1970-80, total population increased 2.8 percent versus an average population change of 15.8 percent. Of this total, declines in fertility rates, all other things constant, would have lead to a 4.1 percent decrease in population. Migration accounted for a 5.4 percent decrease in population in Illinois. All other factors contributed positively to Illinois population change. The authors conclude that net migration was the primary reason for the differences in population growth rats by states and anticipate that this will also be true in the future.

Smith, Stephen L. J. "Defining Tourism: A Supply-Side View." *Annals of Tourism Research* **15, no. 2 (1988): 179-190.** This is a paper which allows for measurement of the impacts of tourism in terms that allow comparison with other types of economic activity. The specific example used to illustrate the application of the supply-side definition is Canadian tourism. The definition defines tourism in the same manner as any other industry, in terms of the businesses that make up the activity rather than the needs and wants of the traveler. Once this view is taken, the businesses that make up the tourism industry are identified and presented by SIC code. The identification process is two-tier. The first tier are those businesses that would not exist in the absence of travel. The second tier are those businesses that may service both tourists as well as locals. The end product is a table that indicates, by SIC code, the contribution of each component of the tourism industry and the total contribution of tourism to Gross Domestic Product.

Smith, Stephen L. J. "Regional Analysis of Tourism Resources." *Annals of Tourism Research* **14, no. 2 (1987): 254-73.** This paper develops and illustrates a methodology for identifying a region's tourism resources. The illustration is based on the Canadian province of Ontario. The methodology is specifically directed to the county level. A number of variables were identified and analyzed by principal components analysis to identify four unique dimensions on which to classify counties. These dimensions were: urban tourism; outdoor recreation; cottages and boating; and urban fringe tourism. Based on these dimensions, six types of counties were identified. Maps based on these classifications illustrate the wide variation in tourism resources by county. This information could be used to strengthen tourism resources and efficiently direct tourism promotion.

Smith, Stephen M. "Diversifying Smalltown Economies with Nonmanufacturing Industries." *Rural Development Perspectives* **2 (October 1985): 18-22.** Based on a survey of service firms in nonmetropolitan Wisconsin, this article presents an argument for developing nonmanufacturing industries in rural areas as an alternative to manufacturing development. One basic argument is that the growth in the service sector is greater than in the manufacturing sector. Also, services and not just goods are exported. The developments in communications technology have made it possible for firms to locate production and business functions in separate locations. Specific examples given are credit card processing and brokerage services. The article describes what these firms look for in a community and offers strategies for attracting them.

Smith, Stewart N. "Six Ways States Can Spur Their Rural Economies". *Rural Development Perspectives* **4 (February 1988): 8-13.** Six tactics which promise high return on a state's investment in rural economic development are described. Improvements can be made by incorporating external costs and benefits into marketplace workings, by absorbing some short-term costs to obtain long-term benefits, and by providing better knowledge for risk evaluation and resource assessment. Tactics include the determination of competitive advantages, targeting infrastructure support to industries that can maintain competitive advantage, providing financing for demonstration, innovation, and transition, providing marketing and business management, assuring adequate natural resource management, and supporting alternative agricultural systems closely linked to the local economy.

Smith, Tim R. "Economic Development in the Nation's Heartland: Issues and Strategies." *Economic Review* **73 (May 1988): 3-8.** Considers the economic strengths and weaknesses of the 13 states of Arkansas, Colorado, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, and Wyoming. Briefly discusses the need for adjusting to global changes, developing local initiatives, and developing a regional approach to development. Three general conclusions are that the region must improve the business climate, improve education, and make capital more accessible.

Smith, Tim R., Mark Drabenstott, and Lynn Gibson. "The Role of Universities in Economic Development." *Economic Review* **72 (November 1987): 3-21.** Focuses on 11 public universities in the Federal Reserve Tenth District. Examines both current economic trends and trends in funding to the universities. Survey results of the 11 universities identifies a growing role in economic development and that they are just beginning to take a more active role. The bulk of new initiatives are aimed at building links with private businesses and applying advanced technology to existing industries. Authors note that the survey results support claims that regional cooperation may be more effective in enhancing economic development.

Stabler, Jack C. "Nonmetropolitan Population Growth and the Evolution of Rural Service Centres in the Canadian Prairie Region." *Regional Studies* **21 (February 1987): 43-53.** Not directly applicable to U.S. nonmetropolitan areas but may be suggestive. As in the U.S., there was a shift of population back toward rural areas in the 1970s. This study looks at 1,027 trade centers of less than 1,000 residents in Manitoba, Saskatchewan, and Alberta. The communities were described by twenty-seven commercial functions. A cluster analysis was employed and verified using multiple discriminant analysis. What the analysis shows is that the population trend back toward rural areas did not strengthen the trade center communities. In fact, there was a general decline in the status of the trade centers between 1961 and 1981. The implication is that shopping patterns have further tended toward larger communities with greater quality, variety, and lower prices of goods and services.

Stephens, G. Ross., and Karen Toombs Parsons. "Rich States, Poor States: An Addendum." *State and Local Government Review* **21 (Spring 1989): 50-9.** This study analyses the impact of federal expenditures on the tax capacities of state governments. One finding is that taxes on nonpersonal income explain much of the difference in tax capacity between states. Total tax capacity is positively related to business tax effort and negatively related to personal tax effort. The authors note that one-fourth of the Gross National Product consists of federal expenditures. Also, four-fifths of the variation in state and local tax capacity and revenues is explained by defense spending and federal grants. The conclusion is that without a grant system to offset the effects of federal spending patterns, that some states will continually enjoy high tax capacity and revenues while others will continually suffer from revenue stress.

Stoll, John R., John B. Loomis, and John C. Bergstrom. "A Framework for Identifying Economic Benefits and Beneficiaries of Outdoor Recreation". *Policy Studies Review* **7 (Winter 1987): 443-452.** Discussion of weaknesses of the competitive model relevant to natural resources which support recreation. Examines two broad categories--those associated with the existence of natural or amenity resources which are nonrival in consumption and those which arise from the existence of external effects associated with the consumption of resources. Efforts to refine estimation of demand curves for outdoor recreation should continue and the use of net willingness to pay will certainly improve allocation of wildlife and other natural resources to outdoor recreation.

Suits, Daniel B. "U.S. Farm Migration: An Application of the Harris-Todaro Model." *Economic Development and Cultural Change* **33 (July 1985): 815-28.** The basic hypothesis of the Harris-Todaro model is that population continues to migrate from rural to urban areas, even though urban unemployment rates are higher, because the higher expected wage rates more than offset the effect of higher unemployment rates. The effects of farm and nonfarm productivity, income effects, and unemployment rates are explained and modeled. Estimates for the period 1900-76 suggest that the greater increase in farm productivity relative to nonfarm productivity explains almost half of the historical decline in the farm labor force. Examining the strength of the unemployment effect, they conclude that growth in nonfarm employment has little effect on farm migration in the U.S. This is because farm population is so small in the U.S. relative to total population. On the other hand a growth in nonfarm unemployment reduces farm migration.

Summers, Gene F. "Rural Community Development." *Annual Review of Sociology* **12 (1986): 347-71.** A review article of U.S. rural economic development. Discusses the different views of what constitutes a community which determines the focus of development activity. In one view, community refers to the social structure and relationships between individuals and institutions. In the other view, community is a spatial location in which individuals interact among themselves and with other localities. The review considers three types of development strategies: authoritative intervention; client-centered intervention; and radical reform. The authoritarian intervention involves higher authorities imposing changes. Client-centered intervention is grass-roots with the agent serving the community which determines its own objectives. Radial reform is little seen in the U.S. and is based on the premise that only radical restructuring can achieve the desired objective.

Swanson, Linda L. *What Attracts New Residents to Nonmetro Areas?.* **Rural Economic Development Report Number 56 Washington, DC: USDA, April, 1986.** This study is an assessment of the causes of population growth in nonmetropolitan areas for the period 1975 to 1980. The chief difference between high growth nonmetropolitan counties versus others is the difference in the rate of inmigration from metropolitan areas. There is little difference between these nonmetropolitan counties in the rate of inmigration from other nonmetropolitan counties. The factors explaining differences between inmigration rates from metropolitan counties are based primarily on life-styles and the amenities offered by rural life and less on job opportunities. Those counties with recreational opportunities and/or those attractive for retirement are expected to continue to grow.

Turok, Ivan. "Evaluation and Understanding in Local Economic Policy." *Urban Studies* **26 (December 1989): 587-606.** A framework is outlined to explain why or why not development programs are effective in increasing employment. The specific examples used are from London, England. Firms that were assisted by local development activities were divided into five conceptual classification in terms of the form of production organization. For each classification, a representative firm was selected and analyzed in terms of the changes that took place. Failures were characterized by severe underlying problems and unfavorable circumstances. The conclusions argue for greater adaptation of incentives to circumstances. Also advocated are local interventions in firm operations that may not be acceptable in the American system.

Urban, Thomas N. "A New Social Contract with Rural America". *Agribusiness* **1 (Summer 1985): 129-136.** This article focuses on the problems of rural communities and the need to implement new food and farm policies with well-funded local and state development and credit programs augmented by federal appropriations which can lead to the free market pricing of agricultural products. The scope of proposed bills must be expanded to evaluate and understand "new" rural America's farms.

U.S. Department of Agriculture. Agriculture and Rural Economics Division. *Public Policies for Displaced Farmers and Their Families.* **Washington, DC: USDA, January 1986.** This study provides a summary of the current farm financial condition, the causes of the current crisis and places the current crisis in historical context. The report notes that very little is known about the displaced farmer. What is known comes from state surveys and case studies in North Dakota, Texas, Missouri and Iowa. Financially stressed operators tend to be younger (under 45), well educated (80 percent have 12 or more years of schooling), and are more likely to have off-farm employment experience. The implication is that these farmers will be able to successfully make the transition to the nonfarm workforce. Three types of national public policies for aiding displaced farmer's are discussed. These are area economic development programs, labor retraining and mobility programs, and income maintenance programs. The report notes that little is known about the effectiveness of area economic development programs and that such programs must be tailored to the skill levels of the area labor force or they may lead to the importation of skilled labor from outside the area. The labor and mobility program discussed is JTPA. Twenty states are reported to have changed their definition of dislocated workers to include displaced farmers. Also, four states, Iowa, Nebraska, Minnesota and Kansas, have instituted their own state programs for displaced farmers. Each has received $1-1.5 million from the Secretary of Labor's discretionary fund to finance these programs. Each of the four states report that 200-300 farmers and their families are participating in the program. Nebraska reports that nine out of ten farmers make the transition on their own. The low participation is suggested to arise because farmers are switching from part-time to full-time on already held off-farm employment and because the participation in the JTPA program is perceived to carry with it a social stigma. Also, the relocation programs have hardly been used, farmers preferring to stay in their home area. The discussion of income maintenance programs includes unemployment insurance, public assistance, and food stamps. There is some discussion of local delivery. The report is pessimistic about the effectiveness of general assistance in aiding displaced farmers in transition. The general conclusions of the report are that job training programs are essential, that development programs should be regional to avoid "beggar-thy-neighbor" competition, and that experimental programs to assist displaced farmers in setting up their own nonfarm enterprises look promising and that income maintenance programs will be necessary to ease the transition of farm families.

U. S. Department of Agriculture. *The Diverse Social and Economic Structure of Nonmetroplitan America.* **Rural Development Research Report Number 49. Washington, DC: USDA, September, 1985.** This report provides maps of nonmetropolitan counties for various classifications by source of income and other demographic characteristics. The maps allow for some inferences to be drawn about the character of rural Illinois. Illinois has 23 counties which are part of an SMSA. The remainder of counties are classified as nonmetropolitan. Farming Dependent Counties: These are counties in which 20 percent or more of total labor and proprietor income was attributed to farming or ranching over the period 1975-79. These counties are characterized by high average incomes but low median incomes, implying that income and wealth are highly concentrated. Thirty counties in Illinois fall into this classification. All but four are north of St. Louis and south of the Quad Cities. Manufacturing Dependent Counties: Counties in this classification had 30 percent or more of total labor and proprietor income generated in manufacturing. The majority of the 18 Illinois counties are in the northern half of the state. Mining Dependent Counties: If mining income accounted for 20 percent or more of total labor and proprietor income, the county was placed in this classification. All seven of the Illinois counties are in the southern half of the state. Specialized Government Counties: A county was placed in this classification if 25 percent or more of labor and proprietor income consisted of payrolls from local, state or federal government units. Five of Illinois' six counties are at the southern tip in the area of the Shawnee National Forest. Persistent Poverty Counties: Counties ranked in the lowest 20 percent of the national per capita income distribution in 1950, 1959, 1969 and 1979 were grouped in this classification. Both Illinois counties were in the southern tip of the state. Federal Land Counties: These are counties in which 33 percent or more of the total land area was federally owned. The one county in Illinois is at the southern tip of the state. Retirement Counties: Counties in which 15 percent or more of the population age 60 and older consists of net inmigrants during the period 1970 to 1980. The four Illinois counties are all in the southern half of the state. Ungrouped Counties: These are counties which do not fit into the previous classifications. All but one of the 19 Illinois counties in this classification are south of Peoria.

Vanagunas, Stanley., and John Keshawarz. "Prospective Areas for University Assistance to Rural Government Administration." *State and Local Government Review* **17 (Spring 1985): 219-24.** This study is based on a 1983 Arkansas State University survey of county and city officials in first class and second class cities. Second class cities are those with populations less than 2,500. The officials rated each administrative category on a scale of one to five in terms of importance. Using the average of responses to all categories the authors conclude that the need for training was greatest in second-class cities, then counties, and then first-class cities. The officials were also asked the preferred format for training: Master of Public Administration degree; Public Manager Certificate; college credit courses; or short intensive workshops. The preference of the officials was for short intensive workshops. Needs for administrative technical assistance were, from most to least important: grant-in-aid administration; computers and financial management; police administration; law and local tax/revenue administration; economic development; and public health and safety.

Vaughan, Roger., Robert Pollard, and Barbara Dyer. *The Wealth of States: Policies for a Dynamic Economy.* **Washington, DC: Council of State Planning Agencies, 1986.** States have spent much time and effort working on strategies to promote small business activity. These efforts are in response to a major paper written by David Birch in the late I970s indicating that major employment growth was attributed to small businesses. The theme of this report is that states should create an environment in which all business activity can prosper rather than focusing on small businesses exclusively. The climate for entrepreneurship is hard to define but it may be one of the most important economic development activities in which states can participate. This report reviews and questions much of the earlier thinking on economic development such as targeting efforts toward growing industries, the purpose of development as job creation, and industrial recruitment and retention as the goal of state policies. After the traditional thinking has been reviewed, the authors consider the barriers to innovation and entrepreneurship with possible implications for state development policies. Much attention is paid to investing in innovation, human capital, and public capital. The discussion concludes with suggestions for formulating a state economic development program.

Ventriss, Curtis. "Local Economic Development and Community-Based Planning: American Federalism in Transition." *American Review of Public Administration* **17 (December 1987): 1-15.** A discussion of trends in economic development. As the federal government has withdrawn from economic development and local planners have become more sophisticated, the focus of economic development has shifted to strengthening the ability of the local community to participate in economic growth. The new challenges that face development policy are seen to be internationalization, new technology, sectoral unemployment and underemployment, and economic uncertainty. The paper is critical of narrow economic strategies and proposes that a new policy should be based on decentralized planning, a relevant education policy, and innovations in financial incentives.

Verdin, Jo Ann. "Improving Sales Performance in a Family-Owned Business". *American Journal of Small Business* **10 (Spring 1986): 49-60.** Focuses on a sample of retail sales employees in a small chain of family-owned shoe stores to study the relationship between daily vs weekly performance and the difficulty and accuracy of self-set goals.

View, Janice L. "Creating Jobs in Rural Communities." *The Rural Coalition Report.* **10 (December 1984).** This article notes that rural communities are handicapped in their ability to provide the support services, financing and infrastructure necessary to attract business firms. Also argues that rural governments are not very active or successful in attracting new industry and offers some reasons why.

Wade, Jerry L. "Economic Development and the Small Community". *Economic Development Review* **7 (Winter 1989): 45-48.** Community economic development problems are linked to inadequate conceptualization and methodologies rather than to the community itself. Therefore, development efforts must be based on a broader concept of community intervention.

Waite, Stephen W., and M. Grossman. *Aquaculture: A New Industry for Illinois and Indiana.* **Urbana,IL: University of Illinois and Purdue University, Cooperative Extension Service, 1984.** Illinois farmers are searching for alternative crops which can be raised or produced to supplement or enhance farm incomes. Aquaculture, the controlled culture and harvest of aquatic plants and aquatic animals for food and fiber, provides some of these opportunities. Interest by consumers in changing their diets away from red meats and toward fish and poultry products will mean an expanded market for fish. Midwestern states have opportunities to produce finished fish products as well as aquatic plants and animals that can be used for bait. The potential impact on the Illinois and Indiana economies from expansions in the aquaculture industry could be substantial. Based on studies in New York, the authors estimate a value-added multiplier of $3.87 and an employment multiplier of 3.83 indicating that "for each dollar of aquaculture product generated and each job position involved with production, almost $4 and 3.8 jobs are generated within the allied and marketing industries." Estimates are that if an average of 300 producers per county could be attracted into the aquaculture industry, they would generate a total of $75 million in products. The associated industries would generate an additional $285 million and an additional 114,000 jobs. With these estimates, it is clear that the industry has potential as a supplemental income source for farmers. The capital requirements are not large and some of the existing farm buildings could be converted. This report examines not only the potential for the aquaculture industry in Illinois and Indiana but also considers the potential limitations and obstacles that would have to be faced. The aquaculture industry bears further examination as a supplement to the agriculture industry.

Walzer, Norman and David L. Chicoine. *Financing Economic Development: Issues and Trends.* **New York: Praeger Publishers, 1986.** This book is a collection of papers presented at a national conference on financing state and local economic development in 1985. The materials are organized into several major sections. First is a discussion of trends in population and business employment in the midwest with particular attention paid to Illinois as an example of an industrial state with stagnant population. The second main section discusses criteria used by businesses in selecting locations and the effects of business climate on employment growth. Particular focus is placed on the locational characteristics preferred by high technology businesses. The discussions blend academic research and professional experiences. The third part of the book addresses the role of various governments in the development process. Particular attention is paid to fiscal incentives used by state and local governments and the role of small business promotion as a development tool. Of special interest is the claim that property tax incentives used so often by local governments are relatively expensive and not particularly effective. Loan guarantees are recommended as a low-cost, but effective, incentive. The fourth section reports on innovative approaches to capital markets for public borrowers and the likely effects of the tax reform proposals which were under discussion when the conference was held. The discussion offers insights into new borrowing techniques which could be implemented by local governments. The final portion of the book examines the future climate for economic development in the midwest. The effects of the U.S. trade deficit and the increased competition from international trading partners are considered. The impact of the fiscal federalism policies advanced by the Reagan Administration are discussed.

Wassall, Gregory H., and Daryl A. Hellman. "Financial Incentives to Industry and Urban Economic Development". *Policy Studies Review* **4 (May 1985): 626-639.** The enterprise zone concept is discussed, in which urban policy would provide financial incentives to urban firms in designated zones.

Wasylenko, Michael., and Therese McGuire. "Jobs and Taxes: The Effect of Business Climate on States' Employment Growth Rates." *National Tax Journal* **38 (December 1985): 497-511.** This is an empirical study of the factors which influence growth in state employment. The dependent variable is percentage change in state employment between 1973 and 1980 as reported in the Bureau of the Census' *County Business Patterns*. The explanatory variables consist of three types: those related to labor climate; those related to energy; and those related to fiscal climate. Separate regressions were run for manufacturing, transportation, communication and public utilities, wholesale trade, retail trade, finance-insurance-real estate, services, and total employment. There is evidence that firms look at the effective rather than nominal tax rate. The effective income tax rate reduced employment growth in wholesale trade, retail trade, and finance. Higher wage rates depressed growth in total employment, wholesale trade, retail trade, and finance. Spending on education, as a percentage of income, increased growth in total employment, retail trade, and finance. Tax effort reduced growth in total employment, manufacturing, retail trade, and services. The sales tax decreased growth in wholesale employment. Welfare and the corporate income tax had no impact on employment growth. A higher level of existing industrial activity decreased employment growth in wholesale trade. The conclusions are that locational determinants vary between industries, that it is the relative climate of the state which matters, that taxes per se do not retard growth but how the taxes are spent. They cite the fact that increased education expenditures increase employment growth.

Weber, Bruce A. "Extension's Roles in Economic Development". *Journal of Extension* **(Spring 1987): 16-18.** Extension has several main roles in economic development, including putting local social economic changes into perspective, increasing the knowledge base for community decisions, teaching management skills and shaping institutional structure.

Weinberg, Daniel H. "Rural Pockets of Poverty". *Rural Sociology* **52 (Fall 1987): 398-408.** Examines poverty on a geographic basis and regression analysis reveals that there are significant geographic determinants that cause poverty to remain in certain areas, where other correlates of poverty have been controlled.

Weinberg, Mark L. "Business Incubators Give New Firms in Rural Areas a Head Start". *Rural Development Perspectives* **3 (February 1987): 6-10.** Discusses the advantages of business incubators for new firms in rural areas.

Whitby, M.C. "Rural Development Symposium." *Journal of Agricultural Economics* **36 (January 1985): 77-107.** This is a collection of short presentations on various problems and issues related to rural development in the United Kingdom. There are a number of similarities with the US.

White, Jesse L., Jr. "Urban-Rural Cooperation in the 1990s". *National Civic Review* **78 (January/February, 1989): 47-57.** Examines southern strategies for economic development. Focus on upgrading the skills and education to create a more competitive environment.

Wilkinson, Kenneth P. "Rural Community Development: A Deceptively Controversial Theme in Rural Sociology". *The Rural Sociologist* **5 (1985):119-124.** Discussion of rural community development and the controversies and controversies surrounding it conceptually and as a national policy goal. Provides insight to traditional definitions of "rural".

Willis, K. G., and C. M. Saunders. "The Impact of a Development Agency on Employment: Resurrection Discounted?" *Applied Economics* **20 (January 1988): 81-96.** This is a study of the cost effectiveness of development agencies in the United Kingdom. The study is specifically for Mid-Wales, but the general methodology is appropriate to the U.S. The methodology attempts to obtain a general equilibrium estimate of job creation. Using information on job creation, an assessment is made of the cost effectiveness of economic development programs. The findings are that the estimates of cost per job created are much higher than the costs as estimated by the agencies themselves. This is because the agencies tend to count all increases in employment as being the result of their efforts. Despite this finding, the conclusion is that when distributional and spacial considerations are taken into account, the agencies are cost effective on public and social cost benefit grounds.

Witten, Lynn A. "Higher Education's Role in Economic Development: A Case Study of the University of Arizona." *Economic Development Review* **6 (Spring 1988): 12-15.** The University of Arizona has identified five areas in which it can contribute to the state's economic development. These areas are: generating income and employment; developing human resources; transferring technology; contributing to the quality of life; and providing assistance through outreach. Is a report on the way in which the university is contributing in the five identified areas.

Wortman, Max S. Jr. "A Unified Approach for Developing Rural Entrepreneurship in the US." *Agribusiness* **6 (May 1990): 221-36.** A discussion of rural entrepreneurship with a research outline, a discussion of strategies and programs, and a proposal for a unified organization structure for a rural development zone. Each of ten strategies and programs associated with rural entrepreneurship are discussed. These programs and strategies are: rural community research parks; rural enterprise zones; agribusiness intrapreneurship; government and quasi-government organizations; rural business development centers; small-scale industry service centers; rural incubators; rural financial institutions; rural enterprise extension operations; and rural entrepreneurship education programs. The rural economic development zone would involve the coordination of development activities in four to ten counties. There is a discussion of locational considerations. The zone coordinator would oversee the rural incubator, support services, and a multibank automatic teller. Special support services offered through the center would include: financial; accounting; legal; business; technical; and educational services. The proposal is to end the fragmentation of development activities and provide for a more efficient and effective program by providing a highly linked organization structure.

Zimmerman, Joseph F. "Conflict and Cooperation Mark State-Local Relations". *National Civic Review* **75 (January/February 1986): 26-34.** Recent developments in state-local relations reveal the wide diversity of state governmental systems. To more effectively solve local and area problems, 16 states formed intergovernmental advisory commissions composed of state and local government officials. Discusses some of the major actions taken in states between 1984-1985.

RURAL EDUCATION

James M. Banovetz and **Drew A. Dolan**
Northern Illinois University **Western Michigan University**

The Grand Debate

The fury of the grand debate over the consolidation of schools in small rural communities has continued unabated in recent years. Advocates of efficiency and economy, the traditional rallying cry of good government reformers, argue persuasively that small communities can neither afford to provide their own schools nor provide the breadth and depth of curricular offerings needed to meet contemporary educational standards or, more importantly, to prepare rural youngsters adequately for either higher education or careers in modern society. Their arguments stress the ability of consolidated schools to offer a more developed curricula and to produce higher scores on student achievement tests, increased quality of teaching, and economies of scale.

Defenders of the rural school system have an equally impressive case for the retention of contemporary rural community schools. They argue legitimately that the school is the focal point of the rural community; it is the source from which the sense of community and local pride emanates. Take away our school, they argue, and you destroy our identity, our very sense of community. They also point to such arguments as: the lack of conclusive evidence that consolidation improves education; the negative effects that school closure has on a community; smaller schools allow for more pupil-teacher contact; and small schools allow students to play a greater role in student activities. Individuals on each side of the issue remained locked into their point of view and continue to turn toward these traditional arguments for support.

Unfortunately, the literature on rural education offers little evidence that this grand debate is moving toward any kind of a resolution. There has been no diminution in the sound and fury of the debate - or in the volume of published material on the subject - but there is little in the way of creative arguments or conclusive new evidence being offered. Since such bedrock issues as the fate of local community schools are rarely resolved in the absence of either consensus or some disaster which forces resolution -- and neither of these conditions appears imminent -- it is not likely that there will be a resolution of the grand debate at any time in the foreseeable future.

Thus, the issue of school consolidation/reorganization remains a critical issue for those concerned with rural education. The first section of this bibliography presents the consolidation debate; it, in turn, has been divided into three subsections. The first, *Consolidation/Reorganization Concerns*, presents the arguments summarized above.

The second subsection, *Case Analyses of School District Experiences with Reorganization*, presents individual case studies involving communities that have faced the consolidation issue. The cases presented include discussions of communities that have undergone consolidation; communities that have defeated attempts to consolidate; the after effects of consolidation; and the effect of school consolidation on the community. These case studies are included in the bibliography so as to provide those concerned with rural education with actual examples of what consolidation can mean to a school and a community.

Analyses Involving Consolidation is the third subsection and includes literature which presents a research oriented examination of the consolidation issue. Qualitative and quantitative studies of various aspects of the consolidation issue are presented in this section.

Alternatives to Consolidation

The second section of the bibliography is entitled *Present Alternatives to Consolidation*. The inability to resolve the consolidation issue and a large group of scholars, school officials, and community leaders adamantly opposed to consolidation have served to spawn a number of alternative methods of improving rural education without turning toward consolidation.

These alternatives fall into two general categories. The first are what might be considered short-term alternatives. They consist of a variety of suggestions for altering educational structure and organization in rural community schools. These are designed to ease consolidation pressures and, hopefully, to delay or derail efforts to achieve consolidation. The first subsection in this portion of the bibliography, *Present Alternatives to Consolidation*, presents literature which deals with efforts to improve various aspects of rural education without turning to consolidation. These efforts have been used to one degree or another in rural schools across the United States.

The second subsection, *Innovative Techniques for the Future*, deals with the second category alternatives to consolidation. These alternatives represent efforts to design long-term approaches which would improve rural education and thus eliminate the grounds upon which consolidation advocates base their case. This set of alternatives emphasizes the use of various telecommunications and computer techniques. Although many of the alternatives presented in this section have been used in some rural areas, the majority of the techniques will require rural schools to move in directions in which they have had little experience.

School Finance

The third section of the bibliography presents materials concerned with *School Finance*. Once again two subsections are provided so as to provide a clearer picture of the directions in which school finance literature appears to be going. The first, *Identifying and Coping with Fiscal Difficulties*, includes literature which examines problems identified in financing school districts and the services they provide and alternative methods for dealing with fiscal problems. The second, *Providing Equity in School Finance*, provides bibliographies of literature concerned with the ways in which school districts are financed. Literature concerned with present methods of financing, alternative methods of financing; and providing equity among school districts is presented in this section.

Curriculum

In the fourth section of the bibliography, entitled *Curriculum*, materials are presented that are concerned with the curricula offered in rural schools. Three subsections are provided: (1) *Alternatives in Curricula Development* (materials concerned with the general curricula being offered in rural schools); (2) *Developing Special Programs* (literature concerned with developing programs to meet the needs of gifted, handicapped, and special education students); and (3) *Vocational Education Curricula* (literature concerned with vocational education programs, including agricultural education).

Three areas of change in rural education curricula appear to be reflected in the literature. First, the criticisms of current rural school curricula offered in the consolidation debate hasled to a focus on methods of improving the curricula offered in rural schools. Second, the failure or inability to provide programs to meet the needs of special groups in rural areas has been recognized and the literature reflects a growing concern for the development of such programs. Finally, the literature concerned with vocational education reflects the realization that vocational education programs, including agricultural education programs, need to be revamped in order to reflect today's economic picture.

General

The fifth section of the bibliography, entitled *General*, presents literature concerned with the general state of rural education. Materials concerned with the current state of ruraleducation, how it got there and where its going, and what modifications are needed for its survival are presented in this section.

The final section of the bibliography, *Additional Resources*, presents bibliographies of literature that will assist those interested in rural education to find additional resources. The materials presented include listings for other annotated bibliographies and for literature which includes extensive references concerned with rural education.

Those readers desiring additional sources of information would do well to reference some of the primary sources used in developing this annotated bibliography. These sources include the Educational Resource Information Center (ERIC), the State of Illinois Publications Catalog, and a number of journals, including: Rural Educator, Journal of Rural and Small Schools, Illinois School Board Journal, Illinois School Research and Development, and the Journal of Rural and Small Schools. The ERIC data base presents listings of papers presented at conferences, opinion papers, dissertations, general information analysis papers, books, and journal articles. Several of the listings presented in this annotated bibliography were obtained through a search of this data base and are presented with a "RIE" number. This number may be used by the reader to reference the document in the Resources in Education Guide for further information on the document, including how to obtain a copy of the document.

The Bibliography

The following bibliography presents this survey of the literature concerned with rural education in the United States. Although a limited number of the pieces included in the bibliography predate 1980, the majority have been written after 1980. The primary purpose of using works written after 1980 is to present a current view of rural education that will be of assistance to policy makers as they consider the shape that rural education is to take in this last decade of the 20th century.

I. SCHOOL CONSOLIDATION/REORGANIZATION

A. Consolidation/Reorganization Concerns

Appalachia Educational Lab. *Maintaining Positive Educator Morale During Consolidation.* **Tennessee Education Association, Nashville, 1988. (RIEDEC89)** The report documents experiences of educators in city-county school consolidation, with special attention given to educator morale. Teachers and administrators from five consolidated districts in North Carolina, Kentucky, and Tennessee were surveyed in hour-long telephone interviews. Emerging from the interviews were five key factors which were found to affect or reflect educator morale before or during consolidation: (1) the extent of planning and of educator involvement in the planning process; (2) communications about consolidation; (3) fears about job security, transfers, inequitable treatment, and loss of benefits and special programs; (4) the actual events that occurred during implementation; and (5) educator grievances and departures. Recommendations for educators and community members facing consolidation include: (1) extensive planning that involves boards of education, educators, and community members from both districts; (2) extensive communications among all interested parties to counteract rumors and groundless fears; and (3) strong leadership from superintendents and community leaders.

Baklis, Michael J. "Illinois School Reform: After the Cheering Stopped." *Illinois Issues* **12, no.5 (May 1986): 15-7.**

Banovetz, James M. and Drew A. Dolan. "Consolidation: Improper Means to a Proper End." Center for Governmental Studies, Northern Illinois University, DeKalb, IL, 1986. The article is an examination of the issue of the school consolidation issue in the State of Illinois. Prepared as part of a report for the Task Force on the Future of Rural Illinois, the authors examine the problems confronting rural schools which lead to consolidation, arguments for consolidation and for protecting the small rural school, alternatives to consolidation, and recommendations for change. Among the arguments offered for consolidation are: (1) high school size has a positive relationship with the curricula offered by a high school (the larger the student body the larger the scope of curricula offered); (2) school size and student achievement have a positive relationship (schools with fewer than 215 students showed the lowest achievement levels on test scores); (3) the amount of preparation required by a teacher has a negative relationship with the quality of teaching--the more preparations required, the lower the quality of teaching (teachers in smaller schools have more preparations); and (4) larger schools are able to take advantage of economies of scale (there are inherently high costs associated with the problems facing small rural high schools that prevent the usage of economies of scale. The arguments against consolidation include discussions of the following arguments: (1) the solution of consolidation pre-dates the 20th century and yet there remains no conclusive evidence that it works; (2) the tradeoffs to using consolidation are often forgotten or ignored; (3) there is a failure to realize that good and bad schools come in all sizes and simply making a school larger is not likely to alleviate the problems of a school; (4) there is a tendency to ignore possible alternatives that may work better than the "catch-all" consolidation; and (5) few realize that consolidation is an almost irreversible decision.

Becker, Weldon and Linda O'Neal. "A New View of Smaller Schools." *NASSP Bulletin* **64, no. 438 (October 1980): 1-7.** The recommendations of James B. Conant in the 1950s led to high school consolidation across the country. Although the surviving small schools have weaknesses, they have benefits as well. These benefits are discussed by the authors.

Berlin, Barney., et. al. *Organizational Size and Learning.* **Paper presented at the Annual Meeting of the Educational Research Association, San Francisco, CA, March 27-31, 1989.** Bigger is better is the concept discussed by the authors in this article. Conventional wisdom over the years has dictated that "too small" schools and school districts could not provide sufficient educational opportunities. This paper reviews current thinking on district, school, and class size as they affect learning in the classroom. Since 1930, the number of school districts has shrunk from 128,000 to less than 16,000. A table provided in the article summarizes correlations between size and various other factors, including state public school enrollments, minority, student concentrations, SAT and ACT scores, state poverty levels, per pupil expenditure averages, teacher salaries, and Catholic school enrollments. Reviewed in the article are previous research findings that indicate big may not be better. Findings in the research include: as districts consolidate, parents feel distant from schools and powerless to affect policy; the learning benefits of smaller classes; relating class size to structural differentiation and school culture; to achieve appropriate instruction, the group's size and composition must fit the instructional situation; and home schooled children's superior test scores. People seem to learn, change, and grow in situations where they have some control, some personal influence, and some efficacy. The authors caution however, that political and economic influences will probably prevent change based on size considerations.

Bridgman, John N. Jr., (ed). *A Manual for Merger. A Guide to Examine the Feasibility and Implications of Merger: The Pros and Cons.* **Raleigh, NC: North Carolina State Department of Public Instruction, Division of School Planning, 1987. (RIEJUL87)** The authors provide a manual written for boards of education, school administrators, and others who wish to explore the possibilities of the merger of schools within their own counties. Examined by the text are the pros and cons through the experiences of those who have implemented school district mergers in recent years in North Carolina. Also provided are guidelines for implementing mergers legally, efficiently, and with as much public support as possible; questions relating to merger are posed; a discussion of the impact of mergers on educational costs, long-range planning, taxing authority, and student achievement; and the effects of growing percentages of minority and disadvantaged students, enrollment decline, and public sentiment are examined. Included in the manual is a 7 step sequence suggested for boards of education exploring the possibilities of merger, and 12 steps are outlined for boards electing to proceed with merger.

Burgett, Jim. "Thinking About Consolidation? Don't Expect It to Be Easy." *Illinois School Board Journal* **53, no. 3 (May-June 1985): 21-4.** The article provides a discussion of the process involved in the consolidating of school districts. The author entails both the legal and political processes involved before and during the consolidation movement. Included in the discussion are the reasons for consolidating, financial incentives, warnings, and advice on the political selling of the consolidation issue.

Bussaed, Ellen. *Planning for Declining Enrollment in Single High School Districts.* **New York: Educational Facilities Labs, Inc., 1981. (RIENOV81)** Written for school districts with one high school, this report is designed to help communities plan for fewer students at the high school level. The report is divided into four parts. Part I discusses the nature of the problem, the difference between elementary and high school decline, and the special case of the single high school district. Part II presents numerous strategies which are available and should be explored, together with examples and indications of where they might be appropriate. It discusses strategies within the school system, strategies in cooperation with other school districts, and strategies using educational and community institutions outside the school system. Part III explores issues and concerns which are common to many school districts considering decline and strategies from the perspective of different constituents. It covers the role of the high school as a community institution, the comprehensive high school, high school faculty, high school space and facilities, scheduling, transportation, working with neighboring districts or other institutions, program costs, and roles of the states. Part IV offers concrete advice on how to plan for decline. It discusses planning, defining problems and goals, setting priorities, exploring and evaluating options, and developing a plan of action.

Dean, Jonathan. *Dealing with Decline: The Politics of Public School Closings.* **New York: ERIC Clearinghouse on Urban Education, 1981. (RIEMAY82)** The author examines the politics of public school closings and suggests alternative strategies for effective management of school closings by administrators. Topics discussed include: (1) the effects of public school closings on students, teachers, parents, and the community; (2) the trend of declining enrollment; (3) management approaches to closings which include demographic, maintenance, desegregation, and neighborhood considerations; (4) citizen participation; (5) rural consolidations; and (6) urban school closings with regard to desegregation and neighborhood impact. The article concludes with a section discussing the effects which need further investigation, and calls for anticipatory planning on the part of local, State, and Federal agencies.

Everett, R. E. and C. A. Sloan. "Questions You'd Better Be Prepared to Answer About Consolidation and Reorganization." *Illinois School Board Journal* **51, no. 6 (November/December 1983): 8-10.**

Fox, William F. "Reviewing Economies of Size in Education." *Journal of Education Finance* **6, no. 3 (Winter 1981): 273-96.** The author reviews size economies research and concludes, among other things, that the cost curve is usually U-shaped. However, the article cautions that all findings must be applied cautiously and with full recognition of the unique characteristics of each place.

Glaub, Jerry. "Why it Hurts to Consolidate Schools. *Illinois School Board Journal* **53, no.3 (May/June 1985): 25-6.** Provided by the author is a book review of *The Imperfect Union* by Alan Peshkin. Provided is a synopsis of Peshkin's strong condemnation of consolidation. School consolidation is condemned by Peshkin not simply for the loss of a school in a community, but for the damage that the loss of the school causes a community. Discussed are the sociological damages, the animosity created, and the loss of the sense of community and the community's life style: "Cut a school and the community bleeds."

Hobbs, Daryl. "Rural Education: The Problems and Potential of Smallness." *High School Journal* **64, no. 7 (April 1981): 292-98.** The article makes the argument that rural schools will probably remain small as the more expensive transportation associated with consolidation is realized. The author discusses the fact future research will probably be of the greatest value if it inspires greater creativity in dealing with the advantages and disadvantages of small size.

Hobbs, Daryl. "Rural School Improvement: Bigger or Better." *Journal of State Government* **61, no. 1 (January/February 1988): 22-28.** The author examines shared education perceptions regarding school effectiveness, expansion, operation, resources, test scores, and the role of schools in education. The article questions the traditional beliefs regarding school size and educational quality and introduces new ideas created by innovation and reform.

Hollenkamp, Dennis J. "Will the Small District Survive in the 1980s?" *Illinois School Board Journal* **l53, no. 1 (January/February 1985): 33-4.**

Humphreys, Lloyd G. "A Critique of "Student Achievement in Illinois: An Analysis of Student Progress 1984." *Illinois School Research and Development* **22, no. 2 (Winter 1986): 40-43.** The article provides a critical analysis of the Illinois State Board of Education's study of the effects of school district size on student achievement. The author points out specific weaknesses in the research and concludes that the report should not be used as research upon which to base educational policy decisions.

Jones, Scott. *Illinois, An Educational Step Backward.* **1985. (RIEJUN86)** The author views the conclusions reached by the Illinois State Board of Education Study that small schools are inferior and inefficient, that Illinois has too many schools, and that over half its schools should be closed as "an educational step backward." Although the study fails to link the two concepts, it implies that school consolidation will result in streamlined state aid formulation and this improved distribution of money will assure educational quality. Jones argues that research data do not prove that small schools are inferior and cannot link student performance to school enrollment. Because both large and small schools have strengths and weaknesses, with neither having clear advantages, the issue of school reorganization should not be an arbitrary bureaucratic decision but should begin on the local level where choice of school size can depend on what parents value in life. The author believes that the data base established through the **School District Report Card**, required by the **1985 Educational Reform Package** should be used for school district evaluation and formulation of statewide standards to assess performance of large and small schools. The results of the study should be a determining factor in the need for reorganization. As long as the districts, regardless of size, is meeting the set criteria, it should be unlawful to reorganize that district either by direct mandate or through imposed state funding restrictions.

Kay, Steve. "Considerations in Evaluating School Consolidation Proposals." *Small School Forum* **4, no. 1 (Fall 1982): 8-10.** The article discusses financial and organizational considerations in operationalizing the goal of equal educational opportunity in cities where populations vary widely in terms of wealth and tax contributions.

Kidd, Kenneth. "Small School Districts: An Asset to Education." *Spectrum* **4, no. 1 (Winter 1986): 16-21.** The author presents arguments often offered in the consolidation debate and reviews the research on small school districts. Based on an analysis of experiences with consolidation in Indiana, the author contends that consolidated school superiority is exaggerated. The recommendation is made that with proper planning and innovation, small schools can effectively share human, material, and financial resources and thereby achieve the goals sought through, but not necessarily achieved by, consolidation.

Lam, Y. L. Jack. "School Closure: An Answer to Declining Enrollment." *Educational Horizons* **60, no. 3 (Spring 1982): 111-14.** The article examines various reasons for school closure such as economics and equal educational opportunity. The author concludes that school closings only serve to highlight inefficient school board policy, ineffective funding, and declining educational quality.

Meehan, Merril L. and Alan DeYoung. *A Demographic Study of Rural, Small School Districts in Four Appalachian States.* **Charleston, WV: Appalachia Educational Lab, 1987. (RIEDEC88)** The authors use data gathered from a review of the literature, state department of education personnel, and directories of school districts are to report on small school districts in Kentucky, Tennessee, Virginia and West Virginia. The variables of enrollment size of school districts, expenditures per pupil, transportation costs per pupil, and student density were computed for the study area. Of these only student density proved a useful index to rurality. The review of the literature notes that educational research has shown an urban bias and that problems and strengths of rural schools has been researched outside of the educational research community. The authors recommend further research should seek to develop data on family income and building-level enrollment. Of value to those researching the subject area is the statistical information, presented in 47 tables, and 93 references appended to the review of the literature.

Melnick, Steven A., et. al. *A Comparative Study of the Relationships Between School District Size and Selected Indicators of Educational Quality.* **Paper prepared for the Connecticut Association of School Administrators, Small/Rural Schools Committee, Connecticut, 1986. (RIEAUG89)** The purpose of the study was to identify indicators of quality education and to compare Connecticut's small schools with their larger, non-city counterparts. Continuing declines in both enrollment and available resources have served to raise questions about the quality of education, school size, and the efficacy of school consolidation. School districts were compared on the basis of size with respect to costs, staffing, curriculum, achievement, attendance/dropout rates, and graduate preparation. The authors found no significant difference between small and large districts with respect to expenditure per pupil, although small districts did pay higher educational tax rates; no significant difference with respect to attendance; and no significant percentage of students in need of additional help in basic courses. Additional findings included there was little difference among districts with respect to high school persistence rates, mean scores, or percentage of students above the Stated Level of Expected Proficiency on the Ninth Grade Proficiency Examination, but small and medium high schools showed a tendency for higher test scores; although large high schools consistently offered more advanced courses, small schools consistently had a larger number of staff per 1,000 students; and larger high schools had a higher percentage of students who continued on to higher education than small schools.

Monk, David H. *Disparities in Curricular Offerings: Issues and Policy Alternatives for Small Rural Schools.* **Charleston, WV: Appalachia Educational Lab, 1988. (RIEOCT89)** The review explores the debate on optimal school size and discusses policy options available to states for expanding curricular offerings in small rural schools. The policy options available to states are divided into three broad categories: traditional, modified traditional, and nontraditional. Explored in the analysis are the possibilities available under each approach, instances where various policies have been pursued, and speculation on largely untried alternatives. The traditional approach reflects the belief that low enrollment levels contribute to inadequate program offerings. Policies included in this approach are mandates for small districts to consolidate into larger ones. The modified traditional approach differs substantially from the other two because it places less emphasis on low enrollment as the primary source of difficulty for small rural schools. In this approach problems are viewed as having more to do with the utilization of available technology, the quality and nature of teacher resources, low fiscal capacity, and nonsize-related features of ruralness (such as isolation). The goal of the nontraditional approach is to address more directly the perceived causes of difficulty rather than to increase school sizes. It calls for further development of instructional technologies, more creative uses of itinerant services, alternative scheduling (such as the four-day week), and programs designed to enhance diversity. The document takes the position that each of the three policies holds promise, and pays particular attentions to the possibilities associated with residential schools (the traditional approach), locally designed reorganizations (the modified traditional approach), and the use of instructional technologies (the nontraditional approach).

Putnam, Carl. "Small Schools and Contemporary Education." *Journal of Small and Rural Schools* **1, no. 1 (Fall 1986): 17-18.** The author provides a nostalgic discussion of one-room schools as a preface to a discussion of the current problems in rural schools and cities. Discussed in the article are the problems and advantages of consolidation, regional services, sharing between districts, and the potential of telecommunications and other educational technology. Also provided in the article are some innovative techniques for dealing with the problems confronting the rural school.

Rink, Frank. "Optimum High School Size in Illinois: Providing Curricular Programs; Or Whatcha Gonna Do Till the Pond Goes Dry, Baby?" *Illinois Principal* **17, no. 3 (May 1986): 8-9.** Presented is a discussion of what the optimum size of a high school should be. The article is written in response to increased discussion of the need for school consolidation and recommended enrollments for unit and dual districts. The author examines the issues as they exist in high schools in Illinois. More specifically the article lists and discusses some of the positive and negative aspects of a small school education. The positive aspects tend to reflect the social advantages that a small school offers and the disadvantages reflecting problems occurring primarily as a result of the curricular offered in small schools.

Rogers, Robert G. "Developments in School District Consolidation." *Illinois School Board Journal* **53, no. 1 (January/February 1985): 32.**

Rogers, Robert G. "Is Bigger Better? Fact or Fad Concerning School District Organization." *Spectrum* **5, no 4 (Fall 1987): 36-9.** The author challenges a 1985 Illinois State Board of Education report inferring that students attending high schools with enrollments below 500 have fewer learning opportunities and (based on achievement test scores) are generally less well-educated than students attending larger schools. The article points out that the results of such analysis may actually favor smaller high schools despite the trend toward consolidation and larger schools.

"Sanders Proposes Mandatory Consolidation." *Illinois School Board Journal* **53, no. 3 (May/June 1985): 17-20.** The article presents a synopsis of the legislation presented by the Illinois State Superintendent of Education to the Illinois General Assembly seeking mandatory school consolidation. Discussions are provided regarding proposals such as minimum enrollment requirements, mandatory reorganizations, funding and financial incentives for consolidation, and financial assistance for school districts where geographical factors make consolidation impractical. Also presented is the evidence provided by the Superintendent in support of consolidation. Evidence such as: larger schools offer a grater selection of courses than small schools, larger schools offering more specialized courses, decreases in course offerings in small schools as enrollment drops, and test scores being lower for students from small schools.

Sanders, Ted. "Illinois Educational Reform: A Thoughtful Response to Crisis." *Illinois Issues* **12, no. 5 (May 1986): 17-9.**

Scobell, Beverley. "Illiopolis' Schools: Survival and Consolidation." *Illinois Issues* **11, no. 4 (April 1985): 24-7.** The article provides a case study of one of Illinois' 1000 school districts. Presented are the problems being confronted by that school district and the possible alternative solutions available and unavailable due to the current structure of the system. Also discussed is the role that the community and civic groups within a community can play in trying to save a small financially threatened school.

Sher, Jonathan P. *Class Dismissed: Examining Nebraska's Rural Education Debate.* **Hildreth, NB: Nebraska Rural Community Schools Association, 1988. (RIEAUG89)** This report was commissioned by Nebraska education officials who were concerned that their state was not taking a large enough role in new, innovative methods of rural education. The author suggests that school consolidation is an uncreative and inefficient ways of solving service delivery problems. Also questioned in the paper are the once-popular views linking teacher performance and overall school quality to school size, number of courses, and amount of materials. This document argues that the limited but focused curriculum in rural schools should be able to compete successfully with larger systems. For example, Nebraska's rural districts have relatively fewer dropouts compared to non-rural districts, and their rural schools also match larger ones in standardized test performance. The relationship between school size and efficiency is also examined, the conclusion being that comparisons of per-pupil expenditures inherently discriminate against all rural school systems, which are small by necessity but are not therefore inefficient. The author recommends a thorough overhaul of the school financing system and calls for creation of appropriate educational standards, not standardization, and closes with a discussion of rural and urban differences and the implications for their respective educational systems.

Sloan, Charles A. and Reginald S. Nolin. "The Survival of Small and Rural Schools: In Search of New Alternatives." *Rural Educator* **3, no. 1 (Fall 1981): 24-30.** Provided by the authors is an alternative strategy to consolidation for small and rural schools. Through the use of the proposed model, four Minnesota school districts have been able to retain aspects of local school tradition and have provided improved educational opportunities to their high school students. A discussion of the model used by the school districts is provided in the article.

Smith, Dan T. and Alan J. DeYoung. "Big School vs. Small School: Conceptual, Empirical, and Political Perspectives on the Re-emerging Debate." *Journal of Rural and Small Schools* **2, no. 2 (Winter 1988): 2-11.** The authors outline the primary arguments offered in the debates over the optimal size of a school; much of the available evidence on desirable school size; and the important factors that have played a role in the history of U.S. school consolidation. Emerging from this review is the belief of the authors that the key to the school size debate may be educational control rather than educational quality.

Strang, David. "The Administrative Transformation of American Education: School District Consolidation, 1938-80." *Administrative Science Quarterly* **32, no. 3 (September 1987): 352-66.** The article examines the issue of consolidation from a historical perspective. The author points out that during the 1938-1980, the local administrative units of American education were transformed from small, informal community arrangements into large professionally run bureaucracies. The author explores this structural change by analyzing variation among states in the speed and extent of school district consolidation. A primary conclusion reached in the

analysis is that consolidation stemmed largely from the expanding role of large state bureaucracies.

Weber, Jessica. "Moment of Truth is at Hand for School Reforms." *Illinois School Board Journal* **153, no. 2 (Mar-Apr 1985): 23-7.**

"What Minimum Size Requirement?" *Illinois School Board Journal* **53, no. 6 (November/December 1985): 3.**

Whitley, Douglas. "The Land of 1,000 School Districts." *Illinois Issues* **11, no. 5 (May 1985): 52-3.** Of concern in this article is the "variety and disparity in structure, funding, and available resources" that exists between school districts in Illinois. The author argues that concern should not center on the traditional methods of reform: curriculum, classroom environment, teachers, and dollar resources, but should center on "reorganization of the educational delivery system." As supporting evidence, the author presents a discussion of the many inequities that exist between school districts.

Wisner, Richard. "School Consolidation: Better Education or a Concession to Hard Times?" *Illinois School Board Journal* **51, no. 6 (November/December 1983): 7.**

B. Case Analyses of School District Experiences With Reorganization

Boyd, Thomas A. *Irreparable Harm: The Manipulation of Symbols in One School Consolidation Struggle.* **Paper presented at the Education in Appalachia Conference, 1987. (RIEMAR89)** Summarized in the paper are arguments surrounding the closing of Hisel School in Jackson County, Kentucky, in an effort to analyze the debate on rural education in Appalachia and how it relates to school-community relationships. Also analyzed by the author are the events surrounding closure of the school, including a two-year period in which a school community volunteer group maintained the facility. Community support and activism through 1986 delayed consolidation of the school, which now serves 45 children in grades 1-8. The author found that four frames of reference emerge as those most frequently used to define the issue: Romantic-Traditional, Urban-Idealistic, Rational-Technocratic, and Democratic-Localist. Romantic-Traditional thinking was reflected in many media references to the one-room school houses of long ago, contrasting the one-room school with the new, modern, less personal building. The Urban-Idealistic approach accepted urban institutions as synonymous with progress, seeing the smaller schools as obstacles. Rational-Technocratic thinking assumed that a modern school would be more cost-effective and reasonable. The Democratic-Localist consciousness was evidenced in statements about the opportunity the smaller school provided for a personalized, family-like education of rural students. Evidence gathered in the analysis indicates that the Rational-Technocratic argument, often reflected by administrators and government policy makers, was the most powerful and offered the prime justification for closing the school. The author concludes by recommending that educational reformers should study how school-community relationships are influenced by frames of reference that take the form of types of consciousness.

Brantly, William E. "Consolidating High Schools: One District's Answer." *Spectrum* **1, no. 1 (Spring 1983): 15-22.** In the case of the West Chester School District (Pennsylvania) declining enrollments caused the district to consider combining two high schools. However a review of research on optimum size and an opinion survey of parents, administrators, teachers, and students caused the district to reconsider the consolidation. Instead the district chose to monitor enrollments carefully, but also to keep both schools open.

Dreier, William H. *The Past and Performance of Six Small Rural High School Districts in Iowa.* **Paper presented at the Annual Rural and Small Schools Conference, Manhattan, KS, October 30, 1984. (RIESEP85)** The author makes the argument that questions about effects of consolidation on Iowa's small schools can be answered through historical review and current assessment of nine small districts. By 1966, Iowa's 1912 School Consolidation Law and subsequent legislation had reduced 4,500 taxing units to 455, with each district offering K-12 programs to a total enrollment of at least 300 students. In the 9 small districts, average enrollment rose from 204 to 259 during 1945-1955. Six of these schools joined with neighboring high schools, two added one-teacher elementary districts, and one did nothing. For the 6 schools which consolidated with high schools, enrollment rose about 300. By 1982-83, however, K-12 enrollment dropped for five of these six schools. In 1982, these schools spent an average of 80% more on each student than surrounding districts. Compared nationally with other rural schools, these six districts were more likely to offer Spanish, French, calculus, physics, computer science, electronics, and a wider variety of sports. In a 1983 administration of the Iowa Tests of Educational Development to grades 9-12 in these 6 districts, 62% of the class units scores better than 50. Half of the scores were higher than Iowa's norm mid-score of 70. Iowa's smallest school districts are caring responsibly for their students.

Ebmeier, Howard H. *The Effect of Closing a High School on Parent Attitudes, Student Attitudes, and Student Achievement.* **Illinois, 1986. (RIEJUN87)** The author provides an analysis of data gathered both before and after the closing of Wheaton Warrenville High School in a large Chicago suburban school district. The data is used to examine the impact of the school closure on (1) student achievement, (2) student attitudes, and (3) parent attitudes. The results of the analysis indicate that the school closure did not have any measurable impact on student grades or achievement as measured by standardized tests, nor did it affect such student personality characteristics as self-confidence, sense of efficacy, and self-concept. However, parents viewed the closure as having a negative effect on the school community and the academic achievement of the students. The author attributes these opinions partly to the parents' lack of access to factual data, to the degree of controversy reported by the press, and to the perceptions of what they believed to be the community consensus.

Farr, Jervia and Charles Reavis. "Anatomy of a Small School Rescue." *Small School Forum* **3, no. 2 (Winter 1981-82): 14-15.** Acknowledging that "under certain circumstances, the small school should be closed", this article traces how one small school was rescued through research into the benefits of small schools and use of the media to inform the community. The welfare of the students is emphasized as the "only consideration" in the closing of a school.

Galvin, Patrick. "School District Reorganization: A Case Study of the Community Participation Approach." Ithaca College of Agriculture and Life Sciences, Ithaca, NY: University of New York, 1986. (RIEMAR88) The author provides a case study of the efforts to reorganize two rural school districts in New York. Unique to this case was the plan introduced by the state and local school officials to gain community support for the merger. Under this plan rather than the state conducting the merger feasibility study, a Community Participation Plan was used to organize community members into 10 committees, with each given the task of studying one aspect of the proposed reorganization. Although the reorganization proposal garnered the support of all 10 community based committees, citizens overwhelmingly rejected the referendum. Community members were neither convinced that their school districts were inadequate nor that reorganizing would lead to important new opportunities for large numbers of students. Contrary to the expectations of those support the community participation plan, the more the community discussed and debated, the less possible it became for agreement to be reached. The author sees two conclusions emerging from the study: (1) because they are so divisive, reorganizations should be handled quickly with a minimum of discussion and citizen involvement; or (2) the case for reorganization is not so compelling as its advocates believe, and the state should pursue a more balanced role in improving rural educational opportunities.

Ganter, Gary. "School District Consolidation: A Qualified Success." Ithaca College of Agriculture and Life Sciences, Ithaca, NY: University of New York, 1986. (RIEMAR88) A case analysis is provided of the Eatonton Central School District of central New York State, formed in 1968 by merging the smaller central districts of Batesville and Meridian, from the period prior to reorganization to the present. The analysis is divided into three sections: a discussion of the school district and its setting; an analysis of the governance of the school district, beginning with an overview of the administrations and school boards in the two districts prior to reorganization, continuing with a discussion of the reorganization and the resulting challenges, and concluding with an examination of the present-day board of education; and an examination of the educational leadership in the Eatonton Central School District, the faculty, and the educational environment (including the special education and vocational education opportunities programs provided). Included in the case study are the response to the reorganization of the residents, teachers, school board members, and others.

Illinois State Board of Education. *School District Organization in Illinois,* **Springfield, IL: State Board Legislative and Finance Committee, May, 1985.** Through an analysis of student achievement and other data sources the State Board of Education provides evidence that school size and student achievement are related. The report was prepared in an effort to provide justification for the Illinois State Board of Education's call for mandatory consolidation. The justification exists through four primary arguments offered in the report: (1) High school size has a positive relationship with the curricula offered by a school: the larger the student body the larger the scope of the curricula offered; (2) School size and student achievement have a positive relationship. Schools with fewer than 215 students showed the lowest achievement levels on test scores; (3) The amount of preparation required by a teacher has a negative relationship with the quality of teaching; the more preparations required, the lower the quality of teaching. Teachers in smaller schools have more preparations; and (4) Larger schools are able to take advantage of economies of scale. There are inherently high costs associated with the problems facing small rural high schools that prevent the usage of economies of scale.

Monk, David and Emil J. Haller. "Organizational Alternatives for Small Rural Schools. Final Report to the Legislature of the State of New York." Ithaca College of Agriculture and Life Sciences, Ithaca, NY: University of New York, 1986. (RIESEP87) The authors provide an overview of an analysis which examined the reorganization effecting 11 small rural school districts in New York, studied alternatives of inter-district resource sharing and new instructional technologies, and developed recommendations for changes in state laws/procedures. Four conclusions emerged from the analysis: (1) substantial problems existing in small rural school districts significantly disadvantage students, yet small districts provide important educational advantages to pupils and communities; (2) New York promotes district reorganization as the preferred solution to small rural school problems; (3) district reorganization has serious deficiencies and the state should not artificially encourage reorganization with financial incentives; and (4) neither resource sharing nor new technologies will solve problems related to school size. The report recommended 3 broad changes in state policy: (1) unbiased consideration of reorganization, (2) provision of additional organizational alternatives, and (3) state acceptance of financial responsibility for costs of expanding educational opportunities in small rural schools. Also included are recommendations for 12 specific changes in state procedures/laws.

Peshkin, Alan. *Growing Up American: Schooling and the Survival of Community.* **Chicago, IL: University of Chicago Press, October 3, 1978.** The relationships between student and high school, and school and community in a small, rural Midwestern community ("Mansfield") were documented through on-site interviews, tapes, diaries, and minutes of school board meetings. The subject school district contained approximately 2,220 persons, with somewhat over 500 students in a kindergarten through twelfth grade system. The study was developed based on the opinions and feelings of students, teachers, parents, board members, and others toward their school and the type of education they received. The work serves to strengthen the theory that the rural school and community are closely related; when the school is removed the community is likely to disappear. The study shows that the rural school serves more purpose than just educating the youth. The school serves as an integral element in the culture of the small community. Although a case study of an individual community there is enough similarity between the subject community and hundreds of other communities to make certain conclusions about such things as the strong school-community relationship found in most rural communities.

Peshkin, Alan. *The Imperfect Union. School Consolidation and Community Conflict.* **Chicago, IL: University of Chicago Press, 1982. (RIEJUL88)** The author discusses the experiences of the 900 citizens in a community in Illinois who, from 1973-1979, fought the closing of its elementary school by seceding from the consolidated school district to which it belonged. The consolidated district is described as an imperfect educational union of five politically distinct villages. The district which was established on the assumption that the primary purpose of schools, overriding all others, is the education of children. The author describes the efforts of the residents of the community to bring to the surface other issues that should be considered when discussing consolidation. These issues include: the nature of communities and their boundaries; the nature of school union when separate districts are consolidated; the behavior of communities in conflict over school affairs; and the meaning of a school to its community. The book traces the consolidation issue through the years preceding the consolidation; during the efforts to consolidate; and the post-consolidation period.

Shelly, Paul A. "We Kept the Community in Mind When the Time Came to Close Schools." *American School Board Journal* **170, no. 11 (November 1983): 46-48.** Described in the article are the author's descriptions of his own school closure procedures in the Paramus, New Jersey, school district of which he is superintendent. The author advocates long-range planning and an emphasis on the educational benefits of such closures. Also included is advice on when and how to lay off administrators during such a closure process.

Sher, Jonathan P. and Karin Schaller. *Heavy Meddle: A Critique of the North Carolina Department of Public Instruction's Plan to Mandate School District Mergers Throughout the State.* **Chapel Hill, NC: Rural Education and Development, Inc., 1986. (RIEOCT86)** Provided is an analysis of the 1986 North Carolina Department of Public Instruction (DPI) plan for school district consolidation from the perspective of economic, educational, and social/political considerations, including the issues of fiscal and racial equality. Findings of the analysis indicated (1) that the DPI failed to demonstrate that mergers will advocate any compelling state interest; (2) there is no solid foundation for the belief that elimination of school districts will improve education, enhance cost-effectiveness, or promote greater equality; and, (3) except for extraordinary circumstances, district reorganization should remain a voluntary decision of local voters and school boards. Also included in the report are the following recommendations: (1) complex, far-reaching merger decisions should be made on a case-by-case basis; (2) since good schools/school districts come in all shapes and sizes, educational policies relying on rigid size/organization criteria are likely to have counterproductive effects; (3) since mandatory mergers will not advance any compelling state interest, "back door" consolidation approaches should be discontinued; (4) alternatives to consolidation can expand educational opportunities and enhance cost-effectiveness; and (5) issues like mergers usually are a diversion from the greater tasks of finding new ways to positively influence children's lives and increase teacher effectiveness.

Storm, Carol. "Should Your School Be Closed." *PTA Today* **8, no. 1 (October 1982): 9-11.** The events leading to the closing of several schools in Livonia, Michigan, are discussed by the author. The Article examines the relationships that existed between a number of contributing variables. These variables include the roles of the Parent Teacher Association and a local advisory committee. Through cooperative planning a smooth transition was achieved.

White, Jane Robertson. "To Reorganize or Not Reorganize: A Study of Choice in a Small District." Ithaca College of Agriculture and Life Sciences, Ithaca, NY: University of New York, 1986. (RIEMAR88) The author provides a case study examining a small school district in New York State which appears to be a perfect candidate for school reorganization because of low (and decreasing) enrollment (187 pupils in grades K-12), very high per pupil expenditures, two larger (520-610 pupils) neighboring districts to which pupils could be transported with minimal increase in average travel time, and some services already shared with both districts. The case study is divided into five sections. The first section describes the district as it currently exists: the community, school administration, faculty, guidance services, school board, students, transportation, academic program, special education, activities, and students' future educational goals. The second section considers reorganization options and programmatic, personnel, social, and financial benefits that could result from consolidation. The third section discusses reasons for rejecting reorganization including the community's desire to maintain free lunch, senior trip, and winter ski programs. The fourth section studies the neighboring reorganized districts and the lingering feelings of distrust and betrayal held by some residents. The final section provides a summary which concludes that although there is no doubt that the district's students would benefit academically and socially, reorganization should proceed only if strong community support exists.

C. Analyses Involving Consolidation

Baskerville, Roger A. *Increasing Visibility of Rural and Small Schools: Political Organizations--An Alternative.* **Paper Presented at the Rural Education Conference, Manhattan, KS, November 16, 1981.** The author discusses the use of a political organization as an alternative to the inevitability of losing one's rural school. Used as an example in the article is the People United for Rural Education (P.U.R.E.), which was organized in the State of Iowa to promote the survival of rural schools and the concept of rural as a credible way of life. The reversal of urban attitudes concerning rural schools and rural communities has become one of P.U.R.E.'s most difficult political tasks given that newspaper editorials have repeatedly viewed rural schools as inefficient and inept and have called for school district reorganization to consolidate smaller school districts. The statewide media have not been successful in influencing all Iowans and all state legislators with this concept because of politics of P.U.R.E.. Seen as keys to a successful political organization are sacrifice, endurance, esprit de corps, compromise, tenacity, reevaluation, commitment, and faith. The organization views rural people as a viable, credible, significant, vital, important, and worthy minority.

Bartling, Don and Ward Sybouts. "Rural School Board Presidents Look at School Reorganization." *Rural Educator* **11, no. 1 (Fall 1989): 4-7.** The authors discuss the findings of a survey of the school board presidents in Nebraska from districts which have and have not been reorganized. Questions on the survey center around arguments that surface during reorganization debates, including: rural schools have just as good of program as large schools; school size is not related to quality; rural school children receive more attention from teachers; the loss of a local school will be a detriment to the community; and reorganization will not guarantee a better school experience. From the survey results the authors draw three general conclusions. First, the concerns of the presidents of districts not having been reorganized are not seen as critical or of major concern by those presidents of district which have recently been reorganized. Further, those concerns diminish or do not appear at all. Second, rural schools are more than a place for children to educated. They are symbols of a community of interest for residents of the district. The schools often serve as a community center and as an agency with which adults identify. The districts apparently serve children and adults in a manner which extends or exceeds the stated purposes. Finally, it is imperative a definite plan be developed, implemented, and evaluated to assure reorganization will provide a better curriculum, instructional resources, a positive learning environment, and the best quality of instruction that is possible. The authors arguing that parents have a right to expect such results.

Dreier, William H. *What Happens When the High School Leaves the Community.* **Paper presented at the Annual National Conference of People United for Rural Education, Des Moines, IA, February 5-6, 1982. (RIEDEC82)** Eleven Iowa towns in 11 counties and 11 Area Education Agencies (AEAs), having both elementary and high schools in 1960, were chosen via a rural-urban continuum to ascertain evidence of creativity in providing community services after losing the high school between 1960 and 1980. The study compared: community services in 1955-56 and 1980-81 (a 24-item check list of services sent to 11 town clerks yielded 6 responses); number of city offices and officials in the 11 towns in 1974-75 and 1980-81; population, distance to high school, and rural-urban score for the 11 towns in 1960 and 1980; 1981 availability of services in the 6 towns and in 12 towns with high schools and similar populations. Findings indicated: all 11 towns without high schools lost services, but added some between 1955 and 1980; most towns added service personnel; the 12 towns with high schools often reported 7 of 11 services; the 6 towns were more rural between 1960 and 1980; and population in all towns increased between 1960 and 1980. The 11 towns varied in terms of location, community, services, and city personnel. The author argues that state and local officials should recognize these differences and allow for creativity within each community.

Hinrichs, William L. and Others. "The Effect of Consolidation on Elementary and Secondary Districts into Unit Districts in Illinois Upon Equity Goals in the State." Center for the Study of Educational Finance, Normal, IL: Illinois State University, 1983. (RIEOCT83) The authors

BEST COPY AVAILABLE

conducted an assessment of the effect of theoretically consolidating elementary and secondary districts into unit districts in Illinois to achieve financial equity goals in that state. More specifically, the study was designed to develop a procedure for the theoretical formation of pseudo-unit school districts in Illinois using existing unit districts together with the newly created pseudo-unit districts as the database. In the study, the dual districts were abolished and the state was treated as if it were comprised entirely of unit districts. This was done by merging all elementary districts into the overlying secondary districts, thus reducing the number of school districts in Illinois from over 1,100 to less than 600. This type of analysis indicates that the state as a whole could make progress toward financial equity goals by abolishing dual districts. Less variation would exist in expenditures per pupil and less dependence of expenditures per pupil upon local district wealth if Illinois consisted only of unit districts. However, even such a consolidation effort would not reverse the slide away from financial equity goals that has been documented since the mid-1970s. Only an increase in state support can help stop and eventually reverse this slide.

Kay, Steve., et al. "The Effect of School Consolidation on Fidelity to Traditional Value Systems." Office of Education/Psychology Research, Frankfort, KY: Kentucky State University, 1982. (RIEMAY83) Two rural Kentucky counties provide the settings for a survey measuring the effect of school consolidation on the transmission of values between parents and children. Owen County, in central Kentucky, has a completely consolidated school system. Johnson County, in eastern Kentucky, has a county system with multiple elementary sites and an independent system. In Johnson County, 177 fourth graders, 525 tenth graders, and 88 parents were surveyed. In Owen County, 128 fourth graders, 123 tenth graders, and 64 parents were surveyed. Such traditional community values as social responsibility, acceptance of authority, individualism, expression vs. restraint, equalitarianism, and localism vs. cosmopolitanism were chosen for analysis. Results of the surveys indicate various social, economic, and cultural influences have greater impact than consolidation on values held by individuals. The authors found that the knowledge of the history and economic development of the two differing areas came to be seen as fundamental for an adequate interpretation of results.

Martellaro, Helena C. and Everett Edington. *Relationship of School Enrollment Size to Academic Achievement in New Mexico.* **Paper presented at the Annual Meeting of the Rural Education Association, Manhattan, KS, October 16-18, 1983. (RIEFEB84)** The movement toward small school consolidation was based in part on the presumption that academic achievement was lower in small schools, but the results of a study showed that school size was not significantly related to academic achievement in elementary and secondary schools in New Mexico. To determine the relationship of school size and academic achievement when corrections were made for other possible predictors of achievement, researchers studied enrollment and achievement data for a total of 566 New Mexico schools. They used enrollment figures for the 120th day of school and the "total scale scores" on the Comprehensive Test of Basic Skills for students in grades 5,8, and 11 in 1978, 1979, 1980, and 1981. Although school size appeared to affect academic achievement when no other variables were considered, size was not significantly related to academic achievement when placed in context with other variables. Results showed that two variables, percentage of students eligible for Title I in the lower grades and the student ethnicity variable in the higher grades, were far more useful predictors of academic achievement in a school than school size.

Pittman, Robert B. and Perri Haughwout. "Influence of High School Size on Dropout Rate." *Educational Evaluation and Policy Analysis* **9, no. 4 (Winter 1987): 337-43.** The article presents the findings of a study on the influence of school size on diversity of academic offerings, school social climate, and dropout rate. Data for the analysis is gathered from high school and Beyond Study data gathered from 744 public high schools. The authors found that potential links between school size and dropout rate were greatly attributable to social climate, especially concerning student participation.

Voth, Donald E. and Diana M. Danforth. "Effect of Schools Upon Small Community Growth and Decline." *Rural Sociologist* **1, no. 6 (November 1981): 364-69.** Presented in the article are the results of a 20 year longitudinal study designed to determine whether a change in the presence or absence of schools and in the number of schools operating in a community could be demonstrated to have a significant influence on community growth.

Walberg, Herbert J. and William J. Fowler Jr. *Expenditure and Size Efficiencies of Public School Districts.* **Illinois, 1986. (RIEFEB87)** The results of this study indicate that the smaller the district, the higher achievement when socioeconomic status (SES) and per-student expenditures were taken into account. Such results call into question the practice of school district consolidation and suggest that educational policies and practices, not expenditures, offer the best chance of improving efficiency. The study was designed to examine the extent to which school districts are able to increase achievement beyond what would be expected from their families socioeconomic origins. Average scores on state-developed and nationally-standardized tests of third, sixth, and ninth graders in New Jersey districts were regressed on indexes of district socioeconomic status, per-student expenditures, and district enrollment. Other results of the study included: average student test scores were significantly associated with the SES of the districts; higher SES districts achieved more than lower SES districts; per-student expenditures on education were insignificantly associated with achievement test scores, so that low spending districts on average achieved as efficiently as high spending districts; and a trend was found for larger districts to achieve less efficiently than smaller districts.

II. ALTERNATIVE TO CONSOLIDATION

A. Present Alternatives to Consolidation

American Agriculturist Foundation. *Ideas That Work in Small Schools.* **Ithaca, NY:, 1989. (RIEFEB90)** This packet describes 10 promising practices identified in small and rural elementary schools in New Hampshire, New York, and Vermont. Descriptions of the following innovations are presented: (1) community volunteers with diverse talents and experience became enrichment "teachers" during school time for students in intermediate grades, for which local businesses contributed money and materials, and school staff provided backup; (2) educators established a bridge between school and community through an unusual newsletter giving equal space and emphasis to each; (3) foreign language classes for grades 5 and 6 used the Total Physical Response approach, which patterns second language instruction on first language acquisition; (4) a fifth grade teacher successfully instituted individualized mathematics instruction in her self-contained classroom; (5) a rural school district completed self-assessments of seven educational aspects, developed action plans based on assessed needs, and set up district-wide task forces to address various improvement goals; (6) the Explore/Enrichment Program provided individual enrichment activities to students with special interests and talents while avoiding labeling and IQ screening; (7) primary teachers modified Mastery Learning techniques for use in their own outcomes-based instruction, and noted several objective indicators of student improvement; (8) a poor rural school district cooperated with a local youth and family agency to provide guidance and counseling in elementary schools; (9) primary students improved language skills by working on language activities in cross-age ability groups; and (10) "clusters" of 50 children, 2 regular classroom teachers, and a special education teacher replaced the typical classroom organization and overcame many negative aspects of pull-out remedial programs. Each description includes a contact person and suggestions for educators considering such a program.

Bishop, Jerry and Others. "Extending the School Day: An Evaluation Study of a Seven-Period Class Schedule." *Studies in Educational Evaluation* **314, no. 3 (1988): 361-80.** The effectiveness of a seven-period schedule for a rural high school (grades 8 through 12) in southwestern Virginia was studied. Seventy-six faculty members and 977 students were surveyed during the 1985-86 school year for their reactions to the scheduling change. The results for students, faculty, and budgetary concerns are presented individually and all indicate that the schedule was viable.

Burgett, James. "Small Rural School Programs." Elizabeth, IL: River Ridge Community Unit School District #210, 1987. (RIEDEC88) The author discusses low cost or no cost ideas for programs in smaller rural schools are listed. Program ideas are provided for areas that include public relations, special programs and curriculum. The basis for the article are the experiences of a small school district in Elizabeth, Illinois. The ideas used in this community include the school's relationship to students, faculty and the community; extracurricular activities relating to substance abuse, academic competition, and personal adjustment; and development of innovative approaches in math, physical education, social studies, music and vocational education. The effectiveness of boards of education, teachers, parents, administrators, taxpayers, and students can be enhanced if they see themselves engaged in an activity on which they are all on the same side, attempting to accomplish the same goals.

Communicating for Agriculture. *Rural Education Packet for Putting the Rural Back into Rural Education.* **1988. (RIENOV89)** This rural education action packet consists of 10 resource pamphlets dealing with "putting the rural back into rural education," a special project of Communicating for Agriculture (CA) and the CA Foundation. Information about and an application for becoming a Rural Education Action District (READ) are included. These districts are committed to CA's principle that rural schools provide a quality of education unmatched by larger, better funded urban schools. Undergirding the READ program are eight policy statements developed by CA that encourage rural educators to: (1) develop pride in rural America; (2) include rural economic development in the curriculum; (3) institute youth community development projects; (4) create an urban awareness of and appreciation for rural life; (5) support the creative arts in rural education; (6) integrate technology into rural education; (7) examine age-grading and fragmented learning schedules; and (8) support appropriate delivery systems. These policy statements are outlined in pamphlets that include goals, statement of purpose, objectives, and suggested activities. One pamphlet describes the Rural Knowledge Bowl conducted annually and contains sample questions from the 1984 and 1985 Rural Knowledge Bowl tests.

Dyck, Norma J. and Linda P. Thurston. *A Promising Teacher Training Model for Rural Settings.* **1987. (RIENOV88)** The authors provide a training model designed to prepare practicing teachers in rural areas as special educators. Developed at Kansas State University, the model employs a multi-modal approach which combines a variety of long-distance teaching methods with traditional on-campus summer course work. The model incorporates the use of an interactive audio telecommunications network, independent study, and field experiences that allow students to apply their newly learned skills in the settings where they work. Each training cycle is conducted over a spring-summer-fall time span. During the spring semester, participants attend an on-campus conference, read selected materials, and participate in several teleconferences. The content of the teleconferences ranges from discussion of reading assignments to guest speaker presentations or a networking of experts from locations anywhere in the country. Summer activities include traditional courses on campus and simulated lab experiences. During the fall semester, teachers apply new skills in the school districts where they are employed, with the assistance of a local collaborator who provides advice and feedback. Teleconferences link students with university resources for problem-solving. A final drive-in conference is held near the end of the semester. Evaluation methods include student self-assessment on a continuing basis through keeping logbooks.

Fletcher, Richard K. Jr. and Others. *Strategies and Effectiveness of Rural Schools/University Collaborations.* **1988. (RIEJUN88)** The authors present the findings of a study of the effectiveness of collaboration between the Rural Education Research and Service Consortium at Tennessee Technological University and rural schools in its service area. The study uses the instrumentation and research design of the Good Schools Project (GSP) initiated by Kappa Delta Pi in 1984. Baseline data collected in 1986 using the GSP structure are compared to data collected in spring 1988. Data were gathered by the consortium and analyzed in 11 conceptual dimensions: demographics, curriculum perspectives, goal attainment, classroom practices, interpersonal relations, commitment, discipline and safety, support services and facilities, decision-making, history, and achievement scores. Between the time of the baseline data collection and the spring of 1988, strategies directed at areas of indicated weaknesses were implemented in 12 of the 40 schools from which baseline data were collected. This research report discusses both positive and negative changes. The 1988 sample included 9 of 40 schools used in the 1986 study. Numerous tables present the percentages of responses for the GSP sample, the Middle Tennessee Region 1986 sample. The chi square test is reported on the tables. The report concludes that, although the study was originally designed to measure the impact of collaboration on rural school effectiveness, it has become instead a measure of the impact of state mandates and principal leadership on rural schools.

Hull, Ray. "Tradition of Sharing: Cooperative Programs in Rural Schools." *Journal of Rural Schools* **1, no. 1 (Fall 1986): 22-24.** The author provides a description of efforts to use cooperation among rural schools as a means of improving education. The article identifies benefits of cooperative programs, documents their rapid growth in the past decade, and calls for an infrastructure in which local districts, regional cooperatives, and state and national associations would combine to provide optimum access to services, ideas, and information.

Jess, James D. *Rural Education: A Different Kind of Politics. A Local School Perspective.* **1988. (RIEDEC88)** The rural work ethic, a strong sense of community togetherness, and the absence of class distinction help rural schools avoid the politics that often stand in the way of education in larger urban and suburban schools. Factors contributing to successful schools include clear goals, good principals who know how to motivate faculty, faculty who know how to motivate students, a safe and orderly environment, and community involvement. Success can be measured by high scores on standardized tests; a high proportion of students who go on to postsecondary education; high attendance rates; low dropout rates; and a high percentage of students involved in extra-curricular activities, student awards, and school awards. Strengths of rural schools include small classes, individual attention, more leadership opportunities, many occasions to develop individual talents, and strong community support. Rural disadvantages include faculty teaching beyond their major fields, lack of equipment, lack of cultural assets, shortage of funds, distance from colleges and universities, bias against rural areas in the larger society, failure to understand the differences between rural and urban schools, and the lack of a rural education network. Rural education compares favorably with a larger, highly centralized school system in which teachers and administrators were highly unionized, and where school boards were appointed and had no funding authority. Educational success depends upon local input, acceptance, and support, according to the paper.

Killian, Joyce E. and David M. Byrd. "A Cooperative Staff Development Model that Taps the Strengths of Rural Schools." *Journal of Staff Development* **9, no. 4 (Fall 1988): 34-37.** The authors find that rural teachers generally have a long-term commitment to teaching, personal ties with and credibility in the community, and a small work-place conducive to promoting necessary staff interaction. A cooperative staff development program is described that is based on the unique circumstances of rural schools.

Rincones, Rodolfo. *Exploring Alternatives to Consolidation.* **Las Cruces, NM: ERIC Clearinghouse on Rural Education and Small Schools, 1988. (RIEDEC88)** Provided is an analysis of the alternatives to the use of school reorganization as a strategy to deal with the problems of small and rural schools. The findings indicate that there is no comprehensive evidence to prove that consolidation has met the problems of finance, staff, facilities, and curriculum for which it has been advocated, nor are consolidation's disadvantages and ill-effects of the community usually considered. Among the alternatives to the use of full reorganization is the use of a partial reorganization. Such partial school reorganization allows a "middle-of-the-road response to decreasing enrollments, tight budgets, and increased federal/state demands to provide students in isolated areas equal access to education." The author discusses three types of partial reorganization: (1) Central High School Districts, defined as two or more school districts combining high school programs but retaining separate elementary programs; (2) Cluster Districts where services are shared by separate neighboring school districts, allowing access by students of different schools; and (3) Exchange of Students for Tuition in which students are sent to neighboring school districts for instruction. Also discussed are options such as the sharing of personnel, programs, and equipment (formally or informally); state intervention and state financial aide; multiple teacher certification; application of computer modelling results; community designed reorganizations; and distance education.

Roper, Jack and Robert Crank. "School District and County Transit Unite to Solve Transportation Problem." *School Business Affairs* **50, no. 4 (April 1984): 26.** The authors discuss the method by which a California school district was able to provide transportation for 1,000 high school students. Unable to provide the transportation themselves the school district entered into a cooperative agreement with the county transit district to bus the students. The successful project included extra buses on existing routes, adjusted school hours, special bus stops at schools, and free student passes.

Thurston, Paul. *Organizational Changes in Public Schools.* **Paper presented at the Symposium on the Future of Public School Education, Springfield, IL, October 27, 1983. (RIEMAY84)** The author states that renewed attention on educational quality is forcing educators to consider experimenting with new organizational structures for achieving public school objectives. The author reviews eight reports on the state of public precollegiate education in the United States which address the need for better educational quality. Although the eight reports vary in emphasis, viewpoint, and recommendations, most discuss the need for improved curricula, standards, teacher quality, and finances in the nation's elementary and secondary schools. Included among the findings of the reports are that local school districts can be restructured through consolidation or cooperative arrangements to influence the flow of educational resources;

the structure of school and student activities can lead to altering the lockstep approach to the school day, varying time blocks for certain subjects, and improving the use of teacher time; and restructuring the educational professions can build specializations and professional advancement for teachers. The author states that the federal government must maintain educational access for minorities while supporting research leading to educational reform; state governments must ensure that state statutes and educational goals work together; state boards of education must ensure high standards; and local school districts must consider innovative and flexible reorganization.

Veselka, Johnny L. *The Delivery of Educational Services: The Small District Problem.* **Ph.D. Thesis, University of Texas, Austin, Texas, February 1980. (RIEFEB81)** Although consolidation has traditionally been the primary alternative offered by many for improving rural schools, the author points out that there are a number of alternative strategies for improving rural school systems. This article examines strategies for improving rural schools within the existing framework. The author states that small school leaders are showing an adeptness for identifying and implementing promising alternatives for educational movement, including the voluntary sharing of services, staff, and equipment demonstrates enormous potential. The argument is offered that although the problems faced by rural schools are numerous, the opportunities for quality education in rural/small schools can be found in local resourcefulness, creativity, external assistance, cooperation and a willingness to provide the best possible educational program. Included in the analysis are discussions of the strengths and weaknesses of the school systems, teacher's problems, teacher training, vocational education, services for the handicapped and other disadvantaged students, educational aspirations and achievements of rural students, and opportunities for innovations and improvements in the delivery system. The literature review provided by the author is directed toward finding ways to improve the curriculum teaching quality, and overall quality or rural/small schools.

Warden, Judy E. *Establishing Partnerships Between the Business Community and Rural Schools.* **Washington, DC: Office of Educational Research and Improvement, 1986. (RIEMAR88)** An effective way to help develop a strong rural educational program is to establish a business partnership between the rural school and the business community. Once a relationship is set up, the advantages for both the schools and business community could prove beneficial to the entire rural community. By cooperating with the rural schools in developing strong career and educational programs, the rural business community may not have to depend upon outside skilled help. Large businesses which form partnerships with rural schools are assuring their own future with the knowledge that the future work force may be the finished product of their involvement in quality education. Partnerships may be formed because of the mutual desire to improve the quality of education, the need to uplift the morale of the educational system and the rural community regarding education, or the school's need for financial funding. A partnership can be initiated by either a school or a business, but successful business-school partnerships require total commitment from both parties.

Waters, Scott D. and Michael A. Morehead. "Transferring Principles: A Model for Rural Districts." *Journal of Rural and Small Schools* **2, no. 2 (Winter 1988): 27-30.** Investigated in the article are the effects on school personnel of transferring all four elementary principals in a small rural district. The author concludes that the move provided the challenge and motivation for professional growth for administrators, a change in administrative style for staff, and no noteworthy negative effects.

Zelle, Ronald K. and W. Wade Miller. *Jointly Administered Programs: An Alternative for Student Access to Quality Vocational Programs.* **1987. (RIEAPR88)** The purpose of a study was to determine if offering jointly administered vocational programs shows a significant, positive cost-benefit relationship over not offering vocational courses. Emphasis was on smaller rural school districts that may not otherwise be able to support a total full-time program. Nine factors listed by Thomas and Persona (1984) were examined. A survey instrument was distributed to superintendents, high school principals, and school board chairpersons in Area Education Agency 7 in Northeast Iowa. Survey findings supported very strongly six of the nine factors of perceived cost-benefit relationship for offering jointly administered vocational programs: low risks, substantial proportion of students served, efficiency of scale and smaller financial burdens, no duplication of services, perceived important, and representation and cost assessment. Three areas appeared several times to show less agreement: low costs, financial arrangements based on exchange, and cost distribution based on equality. The conclusions of the authors were that low costs were of less concern to school board presidents than offering high quality vocational programs. Data strongly supported the belief that vocational programs in high schools were important.

B. Innovative Techniques for the Future

Barker, Bruce D. *Interactive Distance Learning Technologies for Rural and Small Schools: A Resource Guide.* **Washington, DC: Office of Educational Management and Improvement, 1987. (RIEFEB88)** In remote and isolated schools where a certified teacher is not always available, or in small schools where limited student enrollments make hiring teachers for low incident courses cost-prohibitive, instruction via distance may be the "next best thing to being there." Several approaches are available: (1) satellite transmissions--the IT-IN Network in Texas, Oklahoma State University's Arts and Sciences Teleconferencing Service, Eastern Washington University's Satellite Telecommunications Educational Programming Network (STEP), and the SciStar Satellite series from the Talcott Mountain Science Center in Avon, Connecticut, are cited as examples; (2) two-way interactive television; (3) Instructional Television Fixed Service (ITFS); (4) audio-graphic teleconferencing; and (5) multi-media equipped buses for in-transit studying. Interested school administrators should consider initial equipment costs, annual subscription or programming fees, and maintenance/warranty contracts, and should contact others who have had success with distance learning, as well as their own state office of education. State-sponsored educational telecommunications networks are in operation or are being developed in Alaska, Kentucky, and Missouri. While this method of instructional delivery is not a rationale for replacing teachers, it is expected to increase in terms of use and acceptance. Twenty-two program addresses--with telephone numbers--are appended.

Barker, Bruce O. "Satellite Programs for Rural and Small Schools." *Rural Educator* **10, no. 1 (Fall 1988): 1-4.** The author points out that the technology now exists to make it practical for rural schools to consider the use of satellite telecommunications. There are now over 100 communications satellites in service around the world and more than 20 servicing the United States. These satellites provide rural schools with the ability to provide simultaneous, reliable, and high quality viewing and audio signals. The benefits of using such satellite communications include; (1) provision of equity and increased quality of educational opportunity; (2) access to subject matter experts or career role models not available in the local community; (3) interaction and joint activities with students in other schools; (4) increased access to information and instructional resources; (5) opportunities for staff development and inservice training; and (6) increased school/community linkages. Also include in the article is a list of vendors that those interested may contact for information on satellite telecommunications programs.

Barker, Bruce and Kenneth R. Patrick. *Teacher Effectiveness via Interactive Satellite: Preliminary Findings from Observation of Three Teachers Over the TI-IN Interactive Satellite Network.* **1988. (RIEJUN89)** Communications satellites transmit live interactive television broadcasts from a host site classroom to small and geographically isolated rural high schools. Using the research on effective teaching practices, this study examined the effectiveness of instruction delivered by satellite. Researchers observed 15 hours of three courses (Computer Science, Art History I, and Sociology I) on the TI-IN Network. They calculated the frequency of the following teaching techniques using a content analysis design: (1) instructor initiated interaction; (2) student initiated interaction; (3) wait time; (4) level of questioning; (5) advance organizers; (6) statements of expectations for students; (7) review; (8) praise; and (9) corrective feedback. Researchers found that the instruction was interactive, students and teachers were talking back and forth to each other via the medium. The three observed teachers asked a sufficient number of low- and high-level questions with appropriate teacher wait time to permit students an opportunity to process information. They used advanced organizers, review, praise, and corrective feedback. Teachers stated their expectations for the students. The teaching behaviors occurred to the same extent that they occur in a traditional classroom.

Benson, Gregory M., Jr. and William Hirschen. "Long-Distance Learning; New Windows for Technology." *Principal* **67, no. 2 (November 1987): 18-20.** The authors provide a description of how schools in geographically remote areas are utilizing telecommunication technologies as an educational tool to increase teaching resources and expand educational offerings. Outlined in the article are interactive long-distance instructional programs using a variety of technologies.

Benson, Gregory M., Jr., and William Hirschen. "Rural Schools Tap into High-Tech Learning." *PTA Today* **13, no. 6 (April 1988): 19-21.** The authors discuss the promise telecommunications technology holds for enhancing long-distance learning, especially for rural school students. The article discusses how teachers and students are now able to communicate via cable, telephone, microwave, and satellite relay. Examples of such networks and how they function are provided by the authors.

Cepica, M. J and Others. *Integration of Computer Related Instruction in Texas Vocational Agriculture Programs.* **Austin, TX: Texas Education Agency, Department of Occupational Educational and Technology, 1985. (RIEOCT85)** The authors examine the current usage of microcomputers, projected software needs, and teacher inservice training needs in Texas vocational agriculture programs. Questionnaires were mailed to each of 922 vocational agriculture departments in Texas, with 446 usable instruments returned and tabulated based on geographical area and school size. Findings of the survey include: larger schools tended to use microcomputers more than small schools for both administration and teaching; computers were used more frequently for instructional rather than administrative purposes; microcomputers were used in agricultural production courses more often than in any other problem area; fifty-four percent of those teachers not already using microcomputers planned to do so within the next five years; and forty-two percent of the schools responding to the survey had microcomputers available for use by vocational agriculture students and teachers, with most being located in a special computer lab. Also provided is a discussion of currently available vocational agriculture-related software and priority areas, such as a critical shortage of practical and economical programs, for software development are detailed.

Horn, Jerry G. *Strategies for Solutions.* **1988. (RIEAPR89)** This document describes the industrial decline in a small Midwestern town and its effect on education and the local economy. While some people refused to see a problem, others saw that the decline would continue until the town school closed and community services dwindled. The paper calls for new solutions to rural education and economic problems, even though the problems themselves may not yet be readily apparent. The author cites a rising drop-out rate, suggesting that education officials broaden their mandate and link schools more closely to economic development and the community. Among the recommendations made at that schools use their resources to serve other social needs in the areas of food service for the elderly, recreation, transportation, communications, library services, job training, and career counseling. Formal classes, traditional textbook study, the school day and school calendar are criticized as archaic. The paper notes that developments in telecommunications can totally change the concept of schooling.

Illinois State Board of Education. *Preparing Students to Adapt with New Technology.* **Springfield, IL: Department of Adult, Vocational, and Technical Education, 1983.** Presented in this report is an analysis of the literature concerned with training students to adapt to new technology. Discussed are such issues as the difficulty that administrators have in attempting to plan for changing technology and forecasting, the types of skills needed in the future, the problems encountered in attempting to deal with the differences of opinion that exist, and the emphasis that should be placed on various methods of training. Asked and analyzed is a question of whether emphasis be placed on the traditional job skills or should it be placed on areas such as intellectual skills, basic educational skills (reading, writing, mathematics, interpersonal skills, and reasoning skills), and transferable skills. Three alternatives are presented as part of the report: 1) emphasize the importance of basic skills alone; 2) stress the importance of basic skills and transferable skills; and 3) emphasize basic, transferable, and change skills. Also included with the report is an annotated bibliography of the primary sources of literature used for the report.

Illinois State Board of Education. *An Emerging Technology Curriculum: Final Report.* **Springfield, IL: Department of Adult, Vocational, and Technical Education, 1984.** The report is the last in a series of reports detailing the changing technology and how the changes should be reflected in the design of curriculum for vocational education programs. The intent of the project is to provide a plan which to train high school students for jobs emerging from new technology and its applications. A second intent of the report is to assist in stabilizing declining enrollments in vocational centers through offering up-to-date training. Also presented as a recommendation of the project is the adding or increasing curriculum offering in areas such as electronic theory, mechanical drafting, computers, hydraulics/pneumatics, mathematics, and communications.

Jess, James D. "The Needs of Rural Schools." *Illinois School Research and Development* **21, no. 2 (Winter 1985): 6-14.** The author argues that the seven state midwestern region needs to develop a rural education network comparable to that which exists for urban communities. The network can serve as a vehicle for generating ideas, building collaborative relationships, and putting theory into practice. Currently rural education comprises two-thirds of the nation's 15,600 school districts and serves one-third of the elementary and secondary education students. Although the need is quite apparent, very little is known about how rural schools work and how their varied and special needs might be met. Creating such a network would require commitments to do so by the state legislature, state department of education, intermediate service units, local school districts, colleges and universities, the associations that serve them, and other public and private groups having an interest in rural schools. The author identifies a number of objectives that may be achieved through such a network, including: promoting communications among rural school personnel; establishing cooperative relationships among rural schools and between rural schools and appropriate service agencies; stimulating research into these problems and concerns of rural educators, education department staff; and personnel in post secondary educational institutions; and facilitating the development of a needed taxonomy of rural schools.

Miller, W. Wade. et al. "Personal Computers in Iowa Vocational Agriculture Programs: Competency Assessment and Usage." Ames, IA: Iowa State University of Science and Technology, 1984. (RIEFEB85) The authors provide an assessment of the competencies needed by Iowa vocational agriculture instructors at the secondary school level to integrate computer technology in to the classroom. Also assessed by the authors was the status of computer usage, types of computer use and software utilities and hardware used, and the sources of computer training obtained by instructors. Data for the assessment was gathered from a survey issued to 119 vocational agriculture instructors who had completed a university-sponsored workshop in the use of the personal computer. Respondents to the survey were asked to describe their vocational program, status of computer usage within that program, and to rate the importance of 50 specific computer competencies. Based on 115 usable surveys, the authors found that the most important instructor competencies were those required for using computer hardware and software in the classroom, rather than computer programming. Factors such as years of teaching experience, student enrollment in vocational agriculture, student enrollment in high school, and number of personal computers available for class use were not strongly related the teachers' ratings of the four competency areas (hardware, instruction, programming and software).

Rule, Sarah and Others. "An Economic Analysis of Inservice Teacher Training." *American Journal of Distance Education* **2, no. 2 (1988): 12-22.** This economic analysis compares the costs of two training alternatives for inservice teacher training in rural areas: (1) actual training delivered via telecommunications, and (2) estimated costs of an equal amount of on-site training. A project at Utah State University using interactive television for early education staff teaching handicapped children is described.

Sigmund, Don E. and Joel McFadden. "Linking Smaller Schools for a More Effective Curriculum." *NASSP Bulletin* **69, no. 84 (November 1985): 35-38.** Described in the article is a successful instructional television consortium developed by four small Illinois high schools. The system eliminated the need to transport students long distances for a quality education.

Swanson, Austin D. "Role of Technology in the Education Reform of Rural Schools: Implications for District Consolidation and Governance." *Journal of Rural and Small Schools* **3, no. 1 (Fall 1988): 2-7.** The author reviews the movement away from mass schooling toward individualization of instruction using telecommunications and high technology to provide information and advanced subjects. The article presents two models for small rural schools, One Room Schoolhouse and Smallway, which are designed to preserve the community school without sacrificing educational quality. The author also suggests that two keys for the success of such a program are regional cooperation and flexibility of educational governance.

III. SCHOOL FINANCE

A. Identifying and Coping With Fiscal Difficulties

Alexander, Michael E. and Robert G. Rogers. "Joint Efforts Turn Small Budgets into Big Ideas." *American School Board Journal* **175, no. 11 (November 1988): 28.** The authors describe the cooperative budget-stretching ventures of two small school districts in rural Illinois. The Bluffs and Triopia K-12 districts have established joint programs in staff development; social work and guidance services; speech therapy; purchasing; and vocational, special, and gifted education to help alleviate the problems created by inadequate finances.

Banovetz, James M. and Drew A. Dolan. "Financing Rural School Districts." Center for Governmental Studies, DeKalb, IL: Northern Illinois University, 1986. The article is an examination of the financing of rural schools. Prepared as part of a report for the Task Force on the Future of Rural Illinois, the authors examine the problems confronting rural schools from the fiscal point of view. Discussions of program inequalities, financial inequities, and the revenue bases of rural schools are provided. To cope with the problems identified in the article the authors provide a discussion alternative funding mechanisms, different sources of revenues, and structural modifications. The funding mechanisms discussed include flat grants, full state funding, foundation plans, guaranteed tax base, power equalizing, child based funding, and using measures of need in combination with other mechanisms. Among the revenue sources discussed in the article are the property tax, state income tax, local income tax, and sales tax.

Berger, Michael A. *Retrenchment Policies and Their Organizational Consequences.* **Paper presented at the Conference on Managing Enrollment Decline, Nashville, TN, February 26-27, 1982. (RIEJAN84)** The author focuses on the organizational consequences of retrenchment policies emphasizing efficiency (selective cuts to insure long-term survival) and equity (across the board actions). The effectiveness of each of these policies was tested on 59 cases of school district enrollment decline over a 10-year period by means of a questionnaire/checklist and followup interview. The dependent variables used in the analysis were per pupil expenditures, teacher-administrator equity (change in ratio of teachers to administrators over time), and pupil-teacher ratio. The independent variables used included two substantive retrenchment policies--reduction in force (RIF) rate and consolidation rate (speed with which districts closed schools)--and two process retrenchment policies--superintendent selection and use of a consultant. Environmental variables were limited to community type and decline rate. The results of the regression analysis used tends to support the efficiency model of educational policymakers. Additional results also indicate that the use of consultants in urban situations has a significant effect on teacher-administrator equity and that outside successors are consistently more effective than superintendents drawn from within the organization. The fact that RIF and school consolidation emerged as of little organizational consequence suggests that educational policymakers in times of crisis deal with issues as they come up, like firefighters.

Burris, Sharon S. and Sharon Lingle Resch. "Our Schools Need A Vision, Not More Costly Controls." *Illinois School Board Journal* **53, no. 2 (March-April 1985): 7-8.**

Chicoine, David L. and Suzanne W. Langston. *Structural Changes in Illinois Agriculture and Industry: Impact on Illinois School Finance.* **Paper presented at the School Policy Conference, Decatur, IL, September 19, 1985. (RIEMAY86)** The authors provide a simulation of probable changes through 1988-89 in the distribution of general school aid (GSA) in Illinois demonstrated implications of a dual state economy for educational finance. Among the findings of the simulation were that agricultural and heavy manufacturing areas were found to have suffered loss of tax revenue while service and light industry areas experienced increased revenue; downstate manufacturing cities and rural districts were projected to receive a larger share of GSA while other areas of the state would receive a lesser share; and school districts serving rural agricultural areas and smaller towns would receive 80% of the gain. The major conclusions reached through the simulation were that poor economic performance of agriculture and manufacturing would limit fiscal capacity of many school districts and eventually cause redistributions of state aid. Questions were raised about the ability of school districts to finance already legislated reforms without increases in GSA and about the use of school consolidation to increase fiscal capacity. The foundation for school financial reform was seen to be linkages between economic performance, property tax base, and local fiscal capacity.

Edington, Gwen and Everett Edington. "Financing Rural Schools: A Review." *Rural Educator* **3, no. 3 (Spring 1982): 20-24.** In the 24 states providing special funding for small, rural, isolated schools, five factors are used to determine eligibility (pupil enrollment, number of teachers, population sparsity, isolation, local effort) and three means are used to direct funds (weighting for basic support, minimal support levels, size adjustment).

Hobbs, Daryl. "The School in the Rural Community: Issues of Costs, Education and Values." *Small School Forum* **2, no. 3 (Spring 1981): 7-9.** Briefly traced is the history of decline and resurgence of rural communities and the role played by the rural school in rural communities. Included in the article are discussions of school consolidation and studies on per pupil costs, travel costs, energy conservation, and community pride and identity as factors in maintaining small rural schools is provided.

Illinois State Board of Education. *Illinois Public School Finance Project: State Superintendent's Preliminary School Finance Reform Recommendations.* **Springfield, IL: State Board of Education, 1985.** The report is divided into two sections. Part I is concerned with the preliminary recommendations of the state superintendent's office for school finance reform. Part II of the report presents the components of the Resource Cost Model (RCM) and its process and application to Illinois public school finance. Recommendations for reform are categorized into four sections: (1) distribution of state funds, (2) generation of revenues, (3) management resources, and (4) additional research needed. Part II includes a 55 page attachment to the preliminary recommendations gives an overview of the RCM, the major component of the finance reform program, and outlines the specific components of the model. The RCM measures the full range of variations in educational costs across the state school districts and uses a process of specifying and costing out the resources required to provide educational services. Also included in Part II are an analysis of small school districts, an analysis of the impact of poverty concentrations on school districts, and a report on the RCM data collection efforts.

Illinois State Board of Education. *Illinois Public Schools Financial Statistics.* **Springfield, IL: Department of Finance and Reimbursements, 1980-89.** This report is a compilation of the Illinois School District Annual Financial Reports. Included in the report are: (1) the major sources of revenues/receipts: local taxes and payments in lieu of taxes, other local revenues, revenues from intermediate sources, general state aid, other revenues from state sources, revenues from federal sources, and total receipts/revenues; (2) expenditures/disbursements; and (3) operating expenses per pupil and per capita tuition change listed by district type.

Jones, Thomas H. *Introduction to School Finance: Technique and Social Policy.* **New York: MacMillian Publishing Company, 1985.** The text is written primarily as a text for graduate level course in school finance, the book also serves well as a reference guide on school finance for education practitioners and those concerned with school finance policies. This study of school finance has been divided into several sections all working together to form a well documented study of the construction of a school finance system and the interactions of that system with its environment. Chapters are included which provide discussion on the economic and political aspects of school finance, the role played in school finance by other governmental bodies, the various available methods of funding schools (including specific chapters on the property and federal aid), and the various alternative plans that are used to determine the level of financing that a school receives. For those contemplating a change in the methodology of financing schools or those simply seeking knowledge on the various methods used the chapters dealing with the latter should be a valuable asset.

Jones, D. Gary and Joseph R. Hendrickson. "Cooperative Programs in Rural School Districts." *Rural Educator* **10, no. 2 (Winter 1988-89): 18-20.** The authors make the assumption that inadequate funding for rural schools will continue and that the need for those schools to find more creative ways to use their resources will increase. Their recommendation is the development of more cooperative programs and their article centers on a survey issued to sixty-two Idaho secondary schools with enrollments of less than 300 to determine the types of cooperative programs being used. The article points out that all of the schools felt sharing resources was or has been a successful practice. Among the advantages of cooperative programs cited by the authors were: (1) it is cheaper and easier than finding part-time personnel; (2) schools cannot always afford a full-time teacher; (3) there is often a lack of access to qualified personnel at a minimum cost; (4) it provides a greater variety of offerings; (5) better service for students; and (6) more benefits for students. The disadvantages cited included: (1) cooperation may meet demands but not save dollars; (2) considering salary and mileage, not much is saved; (3) it is better to have one centralized program than transportation and administrative headaches; (4) coordination and scheduling problems are created; (5) there are problems with the cost of transportation; (6) shared personnel are not always available when needed; (7) teachers may be overworked; and (8) there is a lack of total control over programs and personnel.

Marsh, Jeremiah and Others. *Partial Replacement of the Local Property Tax by an Income Tax as a Means for Funding Public Schools: An Analysis of the Legal, Policy, and Administrative Issues.* **Chicago, IL: Hopkins and Sutter, May 1981.** The report was prepared for the Local Government Finance Study Commission in Illinois in an effort to raise the "legal, policy, and administrative problems which must be considered if the local real property tax were to be partially replaced by a local or statewide income tax as the funding mechanism for public education."

Mueller, Van D. and Mary P. McKeown, eds. *The Fiscal, Legal, and Political Aspects of State Reform of Elementary and Secondary Education.* **Cambridge, MA: Ballinger Publishing Company, 1985.** An exploration of the reform movements in education that are taking place nationwide is provided in this annual report of the American Education Finance Association. Provided are discussions of the current status of state school finance reform efforts, legal trends and issues regarding education reform, the political context of school reform, and the implications for "programmatic excellence and access." Also included in the annual report are case studies dealing with the reform movements in various states and an examination of the implications of the newest reforms in education and what these reforms may hold in store for the future of schools throughout the nation.

Sederberg, Charles H. "Economic Role of School Districts in Rural Communities." *Research in Rural Education* **4, no. 3 (Fall 1987): 125-30.** Explored in this article are the secondary economic effects of rural Minnesota school districts, including purchasing power of payrolls, employment, retail stimulus, recapture of taxes, property values, and banking services. The author provides a nontechnical approach to interpreting how school operations offset costs of rural education. The material is presented in such a manner so that the study can be replicated by rural educators.

Sevener, Don. "School Funding: From Seneca to Pleasant Hill... From Skokie to Buncombe." *Illinois Issues* **11, no. 5 (May 1985) 7-12.**

Stephens, E. Robert. *Implications of Economic, Social, and Educational Developments in Rural America for Rural School Systems.* **1988. (RIEJUN89)** This paper provides an overview of the school reform and school excellence movement of the past decade; discusses the major effects of economic, social and educational developments on rural school districts; and presents the principal implications held by the changing context of rural America concerning educational planning and policymaking for rural schools. Core considerations for the discussion of new, comprehensive, integrated, and cohesive policies and programs for rural school improvement efforts include those discussed briefly in the following sections: (1) Different Policy and Program Strategies; (2) Comprehensive State Education Agency Planning; (3) Joint Planning with Other

Public Service Providers; (4) Increasing Collaboration Among Educational Systems; (5) Planning a More Effective State School System Structure; (6) Strengthening Financial, Programming, and Staffing Practices; (7) Increasing Research and Development on Rural Education; (8) Emphasis on Capacity Building; and (9) Capitalize on Strengths of Rural Schools. What is required is a new commitment for the development of long-term, comprehensive, integrated, and cohesive strategic policies for addressing the issues confronting rural education.

Ward, James Gordon. "City Schools, Rural Schools." Center for the Study of Educational Finance, Normal, IL: Illinois State University, 1988. (RIEJAN89) The research question posed in this study is: How are small, rural school districts different from other school districts? The study involved analysis of data from 52 unity (K-12) school districts in a 9-county region of East Central Illinois. Data were collected from the 1986 school district report cards and from Illinois State Board of Education reports. Eighteen variables were selected relating to the school districts' output measures, curricula, staffing, demographic characteristics, and finances. The study indicated that small, rural school districts were stable educational communities, with certain curricular advantages. This study showed that small, rural schools may present some unique problems as well as opportunities, but as a class of districts, they neither exceed nor lag behind in their ability to offer quality educational services.

Wood, R. Craig, Jr. and Others. "The Financial Status of Facilities in Small and Rural Districts." *School Business Affairs* **55, no. 2 (February 1989): 15-19.** The article summarizes the responses from 263 districts in 37 states drawn from a sample of districts with student enrollment of less than 800. The study found there is an overwhelming inability of local districts to fund capital outlay at levels needed to keep their buildings adequate, safe, and accessible.

B. Providing Equity in School Finance

"Can We Force the State to Fund Schools Adequately?" *Illinois State School Board Journal* **53, no. 2 (April 1985): 5.**

Fonte, Richard. *Formula Funding in Illinois.* **Champaign, IL: Illinois Association of Community College Business Administrators, November 1985.** Formula funding in Illinois reflects decisions on value choices which can be grouped in the categories of enrollment linkage, mission and diversity recognition, equity and fair share, and quality and program improvement. The enrollment linkage of the Illinois formula ties credit hour grants and categorical programs directly to full-time equivalent (FTE) enrollment, though it is "buffered" by a 2-year lag. On the local level, however, severe fluctuation patterns in enrollment have substantial impact. The Illinois approach to the area of mission recognition and diversity has been the use of a system of seven different rates for funding categories and through supplemental, reinforcing, categorical programs. Illinois has addressed fair share and equity by establishing the "residual principle" in which the fair share of state funding is defined as 100% of the difference in cost between the statewide average cost and a standard local contribution from both tuition and local taxes. Illinois uses both categories and the credit hour grants to address program improvement and quality. Recommendations for changes in the current formula include: (1) determining an average for enrollment and unit costs over a floating 3-year period to add stability in funding to individual institutions; (2) retaining the system of multiple funding rates; (3) in the area of fair share, retaining the residual concept but move gradually to a system that reflects local institutions differing responsibilities and types of programs; and (4) providing for quality improvement through existing categorical grants.

Geske, Terry G. *Prospects for Public School Revenues and Local School District Reorganization in Illinois in the 1980s.* **Paper presented at the Symposium on the Future of Public School Education, Springfield, IL, Oct 17, 1983. (RIEMAY84)** Considered in the context of prospects for the Great Lakes region as a whole, prospects for Illinois public school revenues and school district reorganization in the 1980s are discussed in this paper. Also discussed are the effects that demographic and economic changes may be expected to have on the system. Since 1970, the region has had a lower growth rate in population and per capita income than the rest of the country. Between 1970 and 1980, Illinois had a 15.9% decline in enrollments, a 13.5% reduction in the number of public schools, and a 14% reduction in the number of school districts, compared with 10.7%, 5.1%, and 11% respective national decreases. Illinois school revenues between 1970 and 1980 shifted from less local funding (-5.9%) to more federal (+4%) and state (+1.9%) support. The 1981-82 Illinois Public School Finance Project proposed a Resource Cost Model for school finance (based on cost of education indices and program cost differentials) which would adjust state aid to local districts according to costs of local educational programming and differences in local tax bases.

Hickrod, G. Alan and Ben C. Hubbard. "The Concept of Fiscal Effort in the Illinois General Purpose Educational Grant-in-Aid." *Journal of Education Finance* **3, no. 3 (Winter 1978): 272-8.** The authors discuss the Illinois grant-in-aid formula for school finance. In the article the argument is made that an income factor needs to be included in the measurement of fiscal effort if the state wants to retain its concept of "equal expenditure for equal effort."

Hickrod, G. Alan and Others. "Progress Toward School Finance Equity Goals in Indiana, Iowa, and Illinois." *Journal of Education Finance* **6, no. 2 (Fall 1980): 176-200.** The authors of the article argue that a state may make very uneven progress toward some general equity goal if that equity goal is operationalized in a number of different ways. They state that a preference for tax disparity, expenditure disparity reduction, or wealth neutrality gains may have to be expressed before progress toward a general equity goal may be obtained.

Hickrod, G. Alan and Others. "Percentage of State Funds and Equity in Illinois School Finance." *Journal of Education Finance* **7, no. 2 (Fall 1981): 230-31.** In examining longitudinal data for the period 1973-81 for Illinois elementary school districts, the authors determine that the higher the percentage of state aid to K-12 education, the greater the degree of wealth neutrality or equity in educational finance. The article does caution that further longitudinal studies are needed, however before the relationship can be considered proven.

Hickrod, G. Alan and Others. "Reformation and Counter--Reformation in Illinois School Finance: 1973-81." Center for the Study of Educational Finance, Normal IL: Illinois State University, 1982. The article examines the effects of Illinois' 1973 school finance reforms on educational equity for the period 1973-1981. Results of the study indicate that the degree of equity increased from 1972 until about 1977 but then decreased through 1981. Equity was measured in terms of both wealth (or fiscal) neutrality and the variation among school districts in expenditures per pupil. A review of other literature in the area indicated no clear trends in the achievement of educational equity. The authors studied all 1,100 Illinois school districts by using a number of statistical measures, including a coefficient of variation, a Gini index of inequality, and linear regression. Variables used in the analysis included compromise local tax revenues, state aid, property values, expenditures, and numbers of pupils. Among the results found by the authors were state aid increased the degree of equity and that equity declined after 1977 because wealthier districts raised their tax rates more than poorer districts.

Hickrod, G. Alan., et al. *The Decline and Fall of School Finance Reform in Illinois, A Study of the Politics of School Finance: 1973-86.* **Report prepared for the Illinois School Problems Commission. Normal, IL: Center for the Study of Educational Finance, Illinois State University, 1986.** Detailed in this article is the failure of efforts to bring about school finance equity in Illinois, attributable in part to the poor economic conditions in Illinois. Discussions are provided on the school finance reform events that have unfolded in Illinois since 1973, when major reforms were first enacted into law; the underlying values, focused around equalization of educational opportunity, according to which the effects of the 1973 reforms; the subsequent modifications of those reforms should be evaluated; procedures used to monitor school finance equity in Illinois; and the results of the monitoring process. The article concludes with an assessment of the forces working against a concern for equity in Illinois school finance and reviews the "wave theory" of revolution and reform, a theory that suggests that efforts to change and efforts to resist change alternate in their influence through history.

Lows, Raymond L. "Elements of Inequity in Illinois School Finance." *Journal of education Finance* **11, no. 1 (Summer 1985): 40-55.** The author provides data concerning state-local systems of financing public education in Illinois that reveal inequities across districts of different types as well as between districts of the same type. The analysis used in the article should be of value in appraising school finance inequities in state with diverse patterns of school district organization.

IV. CURRICULUM

A. Alternatives in Curricula Development

Bull, Kay Sather., et al. "Teacher Education for Rural Elementary Educators: A Unified Curricular Model." Stillwell, OK: Oklahoma State University, 1985. (RIEJAN88) Oklahoma State University's proposed model for combining preservice education programs for elementary and special education (mildly handicapped) majors is based upon three levels of understand: cognitive understanding, affective understanding, and actional understanding. Each level addresses the same six components: reflective teaching, learning to learn, curriculum content, communication and counseling, organizational and legal structures, and pedagogy. Initial implementation of the model focused on rearranging coursework, establishing observation and practical sites in rural settings, matching coursework to certification requirements, recruiting students, and developing integrative seminars.

Coleman, Donald and David Bethel. "Curriculum Development and Instructional Improvement Through Cooperative Action." *Journal of Rural and Small Schools* **2, no. 3 (Spring 1988): 16-20.** The article describes a project in which educators from several rural Missouri school districts cooperated in meeting state directives to define basic skills being taught, monitor student progress in those skills, and evaluate and improve teacher performance. The authors point out both the short and long term benefits of this cooperative venture.

Driscoll, Mark. "An Exemplary Mathematics Program in a Rural School: Grant Park, Illinois." *Rural Educator* **7, no. 2 (Winter 1985-86): 5-7.** The article provides a discussion of the variables leading to the success of a mathematics program selected for excellence by criteria, including: student performance on standardized math tests and the intensity of involvement in extracurricular activities. The author provides a discussion of the characteristics if the school's rural farm community, administrative and teacher leadership, and the role of student math competitions.

Garley, Herb and Richard P. Lipka. "Cooperative Curriculum Planning in a Small Rural School System." *Rural Educator* **24, no. 1 (Fall 1987): 34-40.** The authors discuss the development of a program designed to "foster cooperative efforts toward school improvement." The effort to cooperatively build and plan a curriculum for a school system in Kansas has yielded five major activities: (1) establishment of the position of Director of Curriculum; (2) articulated a K-12 master curriculum plan; (3) formally involved certified staff, parents, and students in the curriculum planning process; (4) established a university/school partnership; and (5) initiated an ongoing formative evaluation procedure to focus and refine the planning process. The authors found the keys to the success of the program to be: (1) involvement of all teachers in the curriculum development process, through representation of a curriculum council; (2) provision for input from an array of constituents, including students and parents; and (3) a commitment to data based decision making.

Helmer, Jean and Others. *Creating a Curricular Environment to Develop Entrepreneurial Skills in Today's Rural Schools: One District's Approach.* **1988. (RIEDEC89)** Belle Fourche High School in South Dakota has developed a curriculum for an entrepreneurial approach to education. This paper contains the history of the school's adoption of this program, as well as course descriptions and standards. In 1988, Belle Fourche High School, Black Hills Special Services Cooperative, and the McREL (Mid-Continent Regional Educational Laboratory) Foundation joined forces to redesign and modify the curriculum of the school to help revitalize its community, establishing an experimental, interdisciplinary, educational program that emphasizes entrepreneurial skills and their relationship to personal growth and to community development. This experimental program has: (1) developed a class which specifically addresses the need for entrepreneurial skills and provides real life experience in business planning, development, and management; (2) applied an entrepreneurial approach to classes across the curriculum; and (3) worked in partnership with community leaders to enhance community development. Course descriptions, objectives, and standards are outlined for the following courses: (1) Research and Development; (2) Advanced Creative Writing; (3) Historiography I and II; (4) Journalism; (5) Community Analysis; (6) Critical Thinking; (7) Business Planning, Development and Management; and (8) Community Development. Also included are the student selection criteria; program accomplishments; extensive references for use in the various courses; and forms for interviews and evaluations.

Illinois State Board of Education. *Special Reports on the Arts: Illinois Secondary School Offerings, 1982.* **Springfield, IL: Department of Planning, Research, and Evaluation: Research and Statistics Section, June 1984.** The report examines census data gathered by the Illinois State School Board on course offerings in the Arts. The data gathered from secondary schools throughout the State of Illinois has been compiled and compared to the results of the 1977 census of secondary school offerings. The two sets of data were compared to determine the existence of any trends that may be occurring in the area of the arts.

Illinois State Board of Education. *Special Reports on Business Education: Illinois Secondary School Offerings, 1982.* **Springfield, IL: Department of Planning, Research, and Evaluation: Research and Statistics Section, June 1984.** The report examines census data gathered by the Illinois State School Board on course offerings in Business Education. The data gathered from secondary schools throughout the State of Illinois has been compiled and compared to the results of the 1977 census of secondary school offerings. The two sets of data were compared to determine the existence of any trends that may be occurring in the area of business education.

Illinois State Board of Education. *Special Reports on English Languages: Illinois Secondary School Offerings, 1982.* **Springfield, IL: Department of Planning, Research, and Evaluation: Research and Statistics Section, June 1984.** The report examines census data gathered by the Illinois State School Board on course offerings in English Languages. The data gathered from secondary schools throughout the State of Illinois has been compiled and compared to the results of the 1977 census of secondary school offerings. The two sets of data were compared to determine the existence of any trends that may be occurring in the area of the English languages.

Illinois State Board of Education. *Special Reports on Foreign Languages: Illinois Secondary School Offerings, 1982.* **Springfield, IL: Department of Planning, Research, and Evaluation: Research and Statistics Section, June 1984.** The report examines census data gathered by the Illinois State School Board on course offerings in Foreign Languages. The data gathered from secondary schools throughout the State of Illinois has been compiled and compared to the results of the 1977 census of secondary school offerings. The two sets of data were compared to determine the existence of any trends that may be occurring in the area of the foreign languages.

Illinois State Board of Education. *Special Reports on Language Arts: Illinois Secondary School Offerings, 1982.* **Springfield, IL: Department of Planning, Research, and Evaluation: Research and Statistics Section, June 1984.** The report examines census data gathered by the Illinois State School Board on course offerings in Language Arts. The data gathered from secondary schools throughout the State of Illinois has been compiled and compared to the results of the 1977 census of secondary school offerings. The two sets of data were compared to determine the existence of any trends that may be occurring in the area of the language arts.

Illinois State Board of Education. *Special Reports on Mathematics: Illinois Secondary School Offerings, 1982.* **Springfield, IL: Department of Planning, Research, and Evaluation: Research and Statistics Section, June 1984.** The report examines census data gathered by the Illinois State School Board on course offerings in Mathematics. The data gathered from secondary schools throughout the State of Illinois has been compiled and compared to the results of the 1977 census of secondary school offerings. The two sets of data were compared to determine the existence of any trends that may be occurring in the area of mathematics.

Illinois State Board of Education. *Special Reports on Sciences: Illinois Secondary School Offerings, 1982.* **Sprinfield, IL: Department of Planning, Research, and Evaluation: Research and Statistics Section, June 1984.** The report examines census data gathered by the Illinois State School Board on course offerings in Sciences. The data gathered from secondary schools throughout the State of Illinois has been compiled and compared to the results of the 1977 census of secondary school offerings. The two sets of data were compared to determine the existence of any trends that may be occurring in the area of the sciences.

Killian, Joyce E. and David M. Byrd. *Tapping the Strengths of Rural Schools: An Exemplary Staff Development Model.* **Paper presented at the Annual Meeting of the National Staff Development Council, December 13, 1988. (RIENOV89)** This paper describes the Renewal Institute for Practicing Educators, a staff development program designed specifically for rural teachers. The institute is a state-funded cooperative effort between school districts and Southern Illinois University at Carbondale. It provides tuition-free spring and summer workshops for rural teachers in science, math, and language arts. The focus of each Renewal Institute teaching program is determined by a steering committee of local teachers, administrators, and university faculty. The institute's summer 1987 language arts program is described with particular emphasis on the cooperative aspect of the program and the high degree of teacher involvement. Obstacles and incentives for teachers to implement workshop ideas are also described and discussed in detail. Among the factors influencing change in the classroom are: money, administrators, colleagues, parents, students, and professional self-improvement. The paper concludes that rural teachers and teaching positions differ from their urban and suburban counterparts in several aspects, both positive and negative. Rural staff development programs lack some incentives often associated with effective change in larger schools, including external pressure to try new approaches, organization structures conducive to change, and ongoing technical and resource support. The close-knit quality of rural schools, on the other hand, provides a different set of advantages that can be used by staff developers.

Sarvela, Paul D. and Others. *A Drug Education Needs Assessment in a Rural Elementary School System: Results and Curriculum Recommendations.* **1988. (RIEDEC88)** This report presents the results of a needs assessment study on comprehensive drug education conducted for a small rural K-8 school. A brief review examines the literature on drug and alcohol abuse among rural youth. Parents, teachers, and students were surveyed to assess their needs, interests, and knowledge of drug and alcohol abuse. Twenty percent of children in grades kindergarten through three and 43% of older children reported having tasted beer while 13% of second graders and 19% of children in grades four through eight had tried cigarettes. All student cited parents as the first source they would go to for information about drugs, although as students increased in age they more frequently cited other sources of information. Ninety percent of parents believed drug education should occur in the schools. Parents believed educational programs should focus on facts about drugs, their harmful effects on the body, drinking and driving, and the legal ramifications of drug use. The report recommends a parent education program, since parents are cited most frequently as a source of information about drugs and alcohol. Recommended goals for school drug and alcohol education programs include identification of sources of drugs; identification of people who are reliable sources of information; description of the effects of drugs on the body; and demonstration of positive, independent, decision-making skills. The report recommends that a drug education committee select curriculum materials to meet the objectives of the comprehensive drug education program. (Thirty-five references are listed, and the appendixes contain six questionnaires, a table of results, and a list of recommended curriculum materials.)

Stuart-Davis, Shirley. "The Arts Go to School in Rural Pennsylvania." *Educational Leadership* **45, no. 4 (December/January 1987-88): 44-48.** Describes the Arts in Education Program developed in rural Pennsylvania schools. It is made up of educational leaders, artists, community members, university faculty, teachers, students, board members, and an Arts in Education staff. The team works to improve the quality of life and education for students through the arts.

Thurston, Paul and Joanne Clauss. *CPR for Rural School Districts: Emerging Alternatives in Curriculum, Program, and Reorganization.* **Battle Creek, MI: Kellog Foundation, 1985.** The Illinois State Board of Education emphasizes the relationship between high school size and program offering, school size and student achievement, and the number of planning preparations by teachers as the primary rationale for encouraging school consolidation. The authors discuss these and other arguments offered as justification for school district consolidation. Such arguments are often made on the basis of either reducing cost or increasing educational quality. Some cost reduction may be realized through certain economies of scale in some consolidations but is by no means automatic. The authors argue that in scrutinizing the relationship between school size and quality, the consolidation movement should probe fundamental questions regarding the economic and quality-of-life relationship between schools and rural communities, factors important in providing quality education (including richness of curriculum, quality of teachers, and parochialism among students) and their relationship to school size, and the vision of quality of education in rural schools. Also discussed are strategies that should be utilized in consolidation planning, including sharing of students or teachers between buildings, utilizing instructional technology, restructuring high school grades, reexamining course scheduling, and examining regional/state initiatives. When considering consolidation issues that should be considered in implementing consolidation include demphasizing bureaucratic aspects, consolidating across regions, maximizing teacher quality, providing transitions for participation in extracurricular activities, and supporting schools during and after consolidation.

B. Developing Special Programs

Anderson, Margaret A. and Audrey M. Kleinsasser. *Will It Play in Rural America? Staff Development Realities.* **1987. (RIEMAY88)** General educators' perceptions, attitudes, and beliefs towards gifted learners and education of the gifted at both elementary and secondary levels in small, rural schools were examined. Eighteen teachers from a rural K-12 Kansas district having 518 students completed questionnaires during summer 1985 and ruing the 1985-86 school year, and the Gifted Education Attitude Assessment administered in May, 1986. Staff development activities were guided largely by incoming data. Researchers also observed classes with identified gifted students. Results showed that elementary teachers were unsure about the gifted program's effectiveness, its effect on students' educational experiences, its extensiveness, the adequacy of its goals and objectives, the number of students served, and the benefits to the regular classroom of having gifted students present. Generally, they felt that gifted children required special programming and would not initiate their own learning activities. In contrast, 50% of the secondary teachers held the opposite view. Over 80% of the secondary teachers were uncertain about, or disagreed with the view that being in the gifted program had been an effective educational experience for the students. Roughly 12% thought that the goals and objectives were adequate and required no change. Five recommendations, tables, references, and an annotated bibliography and resource list conclude the paper.

Anderson, Roy B. "Problems Associated with the Provision of Rural Special Education Services in Alaska." *Rural Special Education Quarterly* **7, no. 2 (1986): 18-21.** The author compares survey responses of rural special education administrators and teachers in Alaska and compares results with previous national studies. The article finds that issues identified by administrators and teachers differ from those of national studies. The recommendation is made that models designed for one rural environment not be generalized without considering uniqueness of each rural area.

Bradbury, Ken. "Triopia: A Straightforward Education." *Small School Forum* **6, no. 3 (Spring 1985): 4-6.** A curriculum emphasizing "basics" and a program of extracurricular activities encouraging individual experimentation, exploration, and growth are factors contributing to the excellence of this small, rural junior-senior high school with an enrollment of 256 in Triopia, Illinois. The school's faculty, curriculum, athletic program, and extracurricular activities are described.

Bradt, William D. *Development of a Gifted and Talented Program in A Small School.* **New York: Little Falls City School District, 1981. (RIEOCT81)** The Little Falls City School District's K-12 gifted and talented program is organized on three sequential levels. The elementary grades program is part of the nationally replicated Talents Unlimited Program based on Bloom's Taxonomy, and is taught by the regular classroom teacher to all students in a participating classroom. Students participate in any subject area through previously constructed lesson plans consisting of intellectual exercises. The second level (discontinued at this time because of funding) for seventh and eighth grades is a pull-out program in which an instructor meets with identified gifted/talented students one to two hours per week. The program features simulation exercises, field trips, intellectual games, and discussions about proposed projects. An advisory committee determines guidelines for selecting students for this level and the third level (grades 9-12). Third level students undergo a series of simulation exercises, meetings with professionals in their areas of interest, and conferences with the director about available research data. A mentor is selected for each student, to act as a facilitator, resource person, and reinforcer. The student or group of students select a worthwhile project of one to four years duration. At this stage, independent study and individualized educational planning are emphasized.

Bull, Kay Sather. "Gifted Education in Rural Schools: An Examination of Alternatives." *Journal of Rural and Small Schools* **2, no. 1 (Fall 1987): 29-35.** The author urges development of gifted programs appropriate to rural schools. Discussion is provided on issues such as groupings,

BEST COPY AVAILABLE

curricula, technology, and differentiated education. Emphasized in the article is the importance of peer and community involvement.

Gates, Carmelia and David I. Kappan. "Teacher Preparation in the Education of Visually Impaired Children: A Multi-Competency Approach." *Rural Special Education Quarterly* **7, no. 2 (1986): 24-26.** Described in the article is a graduate teacher education program at University of Northern Colorado emphasizing full and equal training in three competency areas: academic instruction, orientation/mobility, and needs of severely/profoundly handicapped blind children. The program serves rural/small schools and districts lacking a sufficient population of visually impaired children to hire more than one teacher.

Howley, Aimee A. and Others. "Gifted Students in Rural Environments: Implications for School Programs." *Rural Special Education Quarterly* **8, no. 4 (1988): 43-50.** The article considers characteristics of rural gifted students, rural family and community attitudes and school conditions relevant to rural gifted students' underachievement. The authors recommend active administrator support for gifted programs, and the use of acceleration as an equitable, effective, and cost-efficient strategy for rural gifted education.

Illinois State Board of Education. *A Regional Rural Secondary School Model for High Technology Program Planning and Development.* **Springfield, IL: Department of Adult, Vocational, and Technical Education, 1985.** The report discusses the accomplishments of a functioning consortium consisting of five secondary high schools, one junior college, and two area vocational centers. The consortium was developed during a project to formulate a regional rural secondary model for high technology program planning and development. The accomplishments of the consortium include: (1) initiation of staff and curriculum development in the areas of information processing and principles of technology; (2) formation of linkages between the academic and vocational areas; (3) development of policies for vertical and horizontal articulation; (4) development of a computerized individualized career plan; (5) formulation of a set of goals; and (6) an agreement on the part of all consortium members to continue to share resources and pursue development efforts.

Leinhardt, Gaea and Others. Unlabeled but Still Entitled: Toward More Effective Remediation. *Teachers College Record* **84, no. 2 (Winter 1982): 391-422.** The authors make the argument that compensatory education students and mildly handicapped special education students would be better served by a single system meeting the needs of both groups. Also discussed are student classification methods, historical, political, pedagogical reasons for separating the programs, and alternatives to the existing arrangement.

Luhman, Anna and Ronald Fundis. "Building Academically Strong Gifted Programs in Rural Schools." *Rural Educator* **11, no. 1 (Fall 1989): 20-22.** The article is written to assist rural practitioners to understand the relevant issues concerning gifted programs and the alternatives available to them as they seek to increase the quality of their programs. Although rural schools are more often constrained by high costs and material shortages than are urban schools, there are opportunities inherent in the lower teacher-student ratios and higher student involvement typical of small rural schools (Nachtigal, 1982). Programs for gifted students should address substantive academic goals, including: (1) bringing students' achievement closer to full potential; (2) ensuring that gifted students in outlying schools are identified and have access to appropriate services; and (3) improving access to advanced courses for talented high school students. Implementing rural gifted programs requires sensitive work with parents, other rural teachers and administrators, and with institutions other than the school district. A stable staff is necessary to assure rural parents and administrators that gifted programs are important and necessary (Howley, Howley, & Pendarvis, 1986). While rural schools often lack resources needed for comprehensive gifted programs, program development is probably best expanded from an academic/acceleration model over a period of time (Howley, 1986). For elementary students, acceleration can be accomplished within the school through a wide variety of means. Networking with colleagues in a variety of settings can open up new opportunities for teachers and administrators to share resources, develop programs, and improve service delivery.

Curriculum can be improved by linking with colleges, laboratories, or performing arts programs through electronic media, computers, and telecommunications networks. The digest offers several resource ideas for rural educators.

Marshall, John C. "Computer Attitudes and Knowledge in Rural Settings." *Research in Rural Education* **2, no. 4 (Spring 1985): 155-58.** Examined by the author are the results of a study of 198 students and 43 educators concerning computer attitudes and knowledge in rural settings. The results indicated that the educators and students had positive attitudes toward computers; educators demonstrated significantly higher knowledge levels than students; and over half of the students and about one-third of the educators indicated having a computer in their home.

Mooney, Kevin C. and Mary Eggleston. "Implementation and Evaluation of a Helping Skills Intervention in Five Rural Schools." *Journal of Rural Community Psychology* **7, no. 2 (Winter 1986): 27-36.** The article describes a program used in a southeastern Washington rural community mental health center to promote preventative interventions in five rural elementary and high schools and to improve coordination between county social service agencies and rural schools. Discusses implementation, acceptance, continuation, and evaluation of the program.

Traynellis-Yurek, Elaine and Mary Winifred Strong. "Remedial Math Program for Split Grades." *Rural Educator* **8, no. 2 (Winter 1986-87): 23-26.** A remedial math program was devised for a rural school with a total population of 110 students housed in split grades. Volunteers implemented the program, which combined metacognition strategies and behavioral reinforcement. Students made slow, consistent gains. The average number of computation facts mastered per month per student was six.

C. Vocational Education Curricula

Baggett, Connie D. *Development of Competency-Based Vocational Agricultural Instructional Materials for Handicapped Students Enrolled in Regular Agriculture Programs Other Than Horticulture.* **Harrisburg, PA: Pennsylvania State Department of Education, Bureau of Vocational and Adult Education, 1984. (RIESEP86)** Provided in this report is a description of a project designed to develop and field-test competency based instructional materials for handicapped students enrolled in regular vocational agriculture programs; a list of project advisory personnel; the clusters of skills identified as appropriate for handicapped students enrolled in courses in dairy production, horse husbandry, plant production, and agricultural mechanics; and sample task instruction sheets. Also provided are checklists for use in evaluating students' skills in the following areas: employability; occupational safety; production economics, management, and mechanics; and broiler and egg, dairy, swine, and beef cattle production. The provided sample task instruction sheets include examples on recordkeeping, technical, feeding, breeding, calving, grooming, handling, planting, and growing skills. Each task instruction sheet contains some or all of the following: a task statement, a task description, a list of materials and tools needed, a description of information to be provided to students, lists of skills addressed and new words, and student evaluation criteria in the form of task statements.

Banovetz, James M. and Drew A. Dolan. " Agricultural Education: Time for Change." Center for Governmental Studies, DeKalb, IL: Northern, IL, 1986. The article is an examination of the status of agricultural education in the State of Illinois. Prepared as part of a report for the Task Force on the Future of Rural Illinois, the authors examine the agricultural education program in Illinois to determine the problems which exist, the benefits of the program, possible changes which could be made, and recommendations for action. The authors point to such concerns as declining enrollments in agricultural education programs, decreasing demand for those educated in the current system, and the incompatibility of current programs with the "back to basics" programs being demanded in many areas. Included in the article are a number of recommendations for change that are designed to alter the vocational agricultural program in such a manner so as to make it a viable program for the future rather than a program which mirrors the past.

Berkey, Arthur L. and Dean H. Sutphin. *Status and Importance/Support for Supervised Occupational Experience Programs (SOEP) as Perceived by New York Vocational Agriculture Teachers and Their Administrators.* **Paper presented at the American Vocational Association Convention, New Orleans, LA: December, 1984. (RIEMAY85).** The study examines the status of agricultural supervised occupational experience programs (SOEP) in the State of New York and the attitudes of agricultural teachers and administrators toward SOEP. Two separate survey instruments were used to gather data for the study. One survey was mailed to 333 secondary vocational agriculture teachers and a second survey was mailed to 210 administrators of the individual schools in which these teachers taught. Of those originally contacted 202 instructors and 131 administrators completed and returned questionnaires. Findings of the survey include: school administrators are supportive of SOEP although they are less supportive of practices calling for an outlay of expenditures; although agriculture teachers perceived SOEP as important, they were less supportive of practices dealing with summarizing SOEP data and filing annual reports; a majority of the teachers lack the experience of having conducted SOEP as part of their high school education and thus had to reply on pre or inservice educational and experiences to provide them with the competencies needed to guide their students through SOEP; and more than one-third of the teachers surveyed have not received any SOEP-related instruction for college credit. The authors offer the following recommendations for improvement of the program: more inservice education dealing with SOEP, development of written policies and deadlines for SOEP, implementation of standardized recordkeeping procedures for SOEP, and design of an evaluation procedure to monitor trends in the State.

Blanton, Lloyd H. "Innovativeness: Legacy of Past; Mandate of Future?" *Agricultural Education Magazine* **58, no. 1 (July 1985) 9-11.**

Buckner, Jamie. *Vocational Guidance Model for Rural Schools.* **1987. (RIEJUL88)** This vocational guidance model is designed to help new rural counselors, itinerant counselors, or teacher/advisors pride rural Alaskan high school seniors with a series of career and vocational experiences designed to facilitate the transition from high school to a job or to postsecondary training. The model is organized in four phases. In the first phase, steps counselors/teachers should take to start a program before the school year begins are outlined. Phase II presents ideas for helping students explore careers; Phase III enables counselors/teachers to help students examine the options available for training after high school. The final phase suggests methods for student follow-up and building community support. Worksheets for career exploration activities and materials for determining postsecondary training options are included in the model.

Burnett, Michael F. and Charles W. Smith. "Secondary Vocational Horticulture Programs--An Assessment." *Journal of the American Association of Teacher Educators in Agriculture,* **24, no. 3 (Fall 1983) 61-70.** In an effort to provide a general picture of horticulture programs the authors provide an analysis of a number of related variables. The objectives of the study were to determine characteristics of secondary horticulture teachers, the structure of horticulture departments, funding sources, nature and scope of facilities, types of supervised occupational experience programs in which horticulture students participated, and curriculum characteristics of vocational horticulture programs.

Case, Larry D. "Planning Vocational Agriculture Programs Under the Carl D. Perkins Vocational Education Act of 1984." *Agricultural Education Magazine* **58, no. 1 (July 1985): 7-8.**

Cheek, Jimmy G. and Max B. McGhee. "Assessment of Competencies Possessed by Students Enrolled in Applied Principles of Agribusiness and Natural Resources Occupations Program." Gainseville, FL: Institute of Food and Agriculture Science, Florida University, October 1984. (RIEMAR85) The article details an assessment of the level of mastery of Florida secondary students enrolled in applied principles of agribusiness and natural resources operation programs during the 1982-83 school year. The study sought to determine which of recommended competencies were in fact being taught by teachers. Data for the assessment were collected from 1,039 students and 44 teachers of agriculture. Using the Applied Principles of Achievement Test (APAT), the study found that the students' mean level of mastery was slightly more than 52 percent. Students performed best on APAT questions related to the core component (agricultural business management, agricultural mechanics, leadership, citizenship), agricultural production, and agricultural resources sections. Performance was poorest in the areas of ornamental horticulture, agricultural mechanics, and forestry. Students scoring the highest were usually members of Future Farmers of America (FFA), involved in supervised occupational experiences, planned to continue with post secondary education or enter the military, and planned to enter an agricultural occupation. Emerging from the study were recommendations to strengthen instruction in applied principles by improving teacher preparation, improve the curriculum, create instructional materials, to encourage students to join FFA and participate in supervised occupational experiences.

Connecticut State Department of Education. *Vocational Curriculum Resource Assessment.* **Hartford, CN: Division of Vocational Education, 1981. (RIEFEB82)** The project assessed the vocational curriculum resources available to teachers in Connecticut and determined whether these resources met the needs of vocational educators. Forty-eight in-depth, on-site interviews at regional vocational-technical schools, educational resource centers, secondary schools, the State Department of Education, cooperating library service units, and regional vocational agriculture centers were conducted to generate data for the study. The purpose of the interviews was to research goals, objectives, funding sources, materials, services, equipment available, and existing problems. Results of the study indicate that few resources exist exclusively to service needs of vocational educators, existing resource centers need to be expanded or new centers must be developed to meet educator needs, use of instructional technological equipment should be expanded, a networking or sharing system of resources should be developed, and user fees could expand the funding base. Of major concern to all involved were funding and collaboration.

Crawford, Ronald. *Steps to Developing a Curriculum for Vocational Agriculture.* **Olympia, WA: Washington Offices of the State Superintendent of Public Instruction, June 1984. (RIEMAY85)** The author provides materials for use in developing a vocational agriculture curriculum. Included in the discussion are sections dealing with: reviewing program objectives for vocational agriculture; reviewing program coding and taxonomy areas; reviewing community needs with school and advisory committees and recommending taxonomy areas; developing a course sequence; developing course outlines, student outlines, learning activities, and evaluation instruments in relation to school goals; planning a vocational agriculture budget; designing a lesson plan to fit the course outline; and developing a course outline for each of 14 vocational agriculture subject areas. For the users benefit various sample forms and questionnaires are provided, including a list of teaching assignment codes, a sample job analysis, a core curriculum occupational readiness record, a needs assessment rating scale, a student evaluation scale, a sample course outline form, a financial records form, a sample lesson plan, and lists of suggested units of instruction for various agriculture curriculum areas.

Cromwell, Susan E. *The Development of a Course of Study Planning Guide for Vocational Agriculture.* **Ph. D. thesis, Pennsylvania State University, May 1984. (RIEMAY85)** The thesis develops a systematic approach for writing secondary production agriculture courses of study. The review of literature conducted for the analysis identified the major concerns in course development and provided a basis for the initial design of a course or study planning guide. The initial guide was written, then reviewed by the Agricultural and Extension Education staff of the Pennsylvania State University. The planning guide was reviewed by a screening committee consisting of 21 vocational agriculture teachers throughout the State of Pennsylvania, revised into its final format, and introduced at three workshops for beginning vocational agriculture teachers.

Illinois Leadership Council for Agriculture Education. *Building Illinois Through Quality Vocational Agriculture Education.* **Springfield, IL: Illinois Leadership Council for Agriculture Education, December 1985.** Provided in this report is a proposal for a plan to revitalize and strengthen vocational agriculture education in Illinois. The plan was developed by the Illinois Leadership Council for Agriculture Education (ILCAE) in an attempt to stem the tide of problems that has been building against agricultural education. The ILCAE see the threat to vocational agriculture education coming from five areas: (1) the economic crisis in agriculture which is discouraging young people from seeking a career in agriculture; (2) reduced funding for agriculture programs; (3) educational reform legislation promoting a back to basics movement; (4) increased high school graduation and college entrance requirements; and (5) public misconception about the current down swing in the agriculture economy. To strengthen agriculture education, ILCAE has offered a seven point plan designed to provide education in agriculture from kindergarten through adult education. The seven segments of the plan are: (1) agriculture basics in education: (2) K-8 exploration of agricultural careers; (3) secondary vocational agriculture programs; (4) post secondary vocational agriculture; (5) agricultural teacher education; (6) adult education in agriculture; and (7) state leadership for agriculture education. Offered as part of this proposal are the goals, rationale, and quality indicators for each of the seven segments of the plan.

Illinois State Board of Education. *Core Curriculum in Agriculture: Phase 1 Report.* **Springfield, IL: Department of Adult, Vocational, and Technical Education, 1980. (RIEDEC0)** The report discusses a project designed to develop and field a test core curriculum in agriculture for rural secondary schools and a core curriculum in agriculture for metropolitan or urban schools in Illinois. Conducted as part of the report was a review of the literature, interviews of industry representatives to identify pertinent research and gather employment information, organizing and meeting with a rural agriculture program advisory committee and a metropolitan agriculture program advisory committee, conducting observational trips to five states, developing a collection of core curriculum resources from other states, and surveying Illinois teachers to determine content for the core curriculum. Also conducted as part of the report was an assessment of employment needs for Illinois agriculture. Resulting from the assessment was the development of a framework of seven taxonomic areas of agricultural education: agricultural production, agricultural supplies and services, agricultural mechanics, agricultural products, ornamental horticulture, renewable natural resources, and forestry. Also identified by the assessment were the competencies needed by those planning to enter occupations in agriculture at entry or mid-management levels.

Illinois State Board of Education. *The State Plan for Revitalizing Vocational Education in Illinois, Fiscal Years 1986-88.* **Springfield, IL: Department of Adult, Vocational, and Technical Education, 1985.** This document is the adopted policy of the Illinois State Board of Education for vocational education. Keeping in mind the primary goal of education for employment the policy concerns itself with vocational, employment and training, career, and adult education programs. The issue of vocational education is examined in three general areas: programmatic provisions, expenditures, and administrative provisions. Analyzed are the problems and challenges confronting vocational education today and those likely to confront vocational education in the future. Problem areas identified included: 1) continuing and rapid technological changes, 2) increasing change in the characteristics of the work force, and 3) supporting the economic stability of individual citizens and the State.

Jones, Tom. "Agricultural Education in the 80s: The New Decade--The Same Purpose." *Agricultural Education Magazine,* **52, no. 7 (Jan 1980) 10-11.** The author is concerned with what the nature, longevity, and quality of vocational agriculture programs during the next decade. The article poses four questions for teachers to consider: 1) whom will be served by the programs?; 2) how will those individuals be served?; 3) how well will they be served?; and 4)how will those involved in the field be led?

Lawrence, Layle D. and Anthony T. Mallilo. "Identification of Specific Areas of Vocational Agricultural Teaching in Need of the Greatest Improvement: A Modified Delphi Approach." *Journal of the American Association of Teacher Educators in Agriculture,* **22, no. 1 (March 1981) 24-8.** The authors are concerned with identifying specific areas of vocational agriculture teaching in need of the greatest improvement. In the analysis provided they found that recruitment and retention of competent instructors were seen as the areas in need of the greatest improvements.

Lee, Jasper S. "Time to Take Inventory in Agricultural Education." *Journal of the American Association of Teacher Educators in Agriculture* **21, no. 1 (March 1980): 2-12.** The author argues that the time has arrived to determine the essential, productive elements of the inventory of practices in use in vocational education in agriculture/agribusiness. The inventory should be taken to determine those items which benefit the programs and those which do not. The growth and survival of agricultural education programs rests in eliminating those items of no benefit and building on the positive.

Miller, Larry E. and Darrell L. Parks. "Educational Merit of Summer Programs." *Agricultural Education Magazine* **53, no. 10 (April 1981): 21-2.** Advisory committees from the horticultural and agricultural mechanics industries were surveyed to determine the educational merits and criticalness of students acquiring specific experiences available only during the summer months. In horticulture, summer experience was indicated to be essential to 60 (26.1 percent) of the duty/task categories.

Miller, W. Wade and Steven K. Vogelzand. "Importance of Including Mathematical Concepts Instruction as a Part of the Vocational Agriculture Program of Study." Ames, IA: Iowa State University of Science and Technology, 1984. (RIEJUN84) The study examines the views of principals, teachers, parents, and students concerning the role of vocational agriculture in developing and enhancing certain mathematical skills. As part of the study researchers interviewed 365 secondary vocational agricultural teachers, 35 math teachers, 35 principals, 137 students, and 260 parents of students enrolled in 36 high school vocational agricultural programs throughout the State of Iowa. The thirteen math concepts examined in the study were consistently regarded as being of greater-than-average importance to students studying in vocational agriculture programs. The math and vocational teachers' responses provided significantly higher mean scores than did the students' and parents' responses. The authors offer several analysis based recommendations, including: inclusion of all 13 math concepts as part of the instructional program for vocational agriculture, with special emphasis on converting units of measure and on the use of whole numbers; recognition on the part of educators of the need to incorporate applied math concepts into the vocational and agricultural course of study; and reliance upon mathematics teachers as a source of assistance for agricultural educators who are developing agricultural teaching materials and lesson plans incorporating applied math concepts.

Moss, Jeffrey W. *Summaries of Research and Development Activities in Agricultural Education in the United States of America, 1984-85.* **1986. (RIESEP86)** The document is the 11th annual summary of research and development projects in agricultural education. Included in the summary is a collection of 170 abstracts (90 abstracts of master's papers or theses, 42 abstracts of doctoral dissertations, and 38 abstracts of funded or nonfunded staff studies). Also discussed in the report are research and development projects conducted at 30 institutions from 25 states and a list of research and development activities in progress, ERIC accession numbers for previous regional (1968-74) and national summaries (1974-84), a list of previous national editors, and author and subject indexes.

Taylor, G. Cleve., et al. "Vocational Curriculum and In-Service Needs Assessment." Moscow, ID: Idaho University, College of Education, 1980. (RIEOCT81) Detailed in the report are the findings of a study designed to determine a priority listing of competencies based on the perceived needs of vocational instructors. The instrument sought to measure vocational teachers' perception of importance to job, level of competence, and need for in-service training regarding 107 competency statements. Six program areas were surveyed: trade and industrial education, industrial arts, office education, home economics, distributive education, and agriculture education. The authors conclude that while instructors within each program area had perceived needs unique to their program area, competencies consistently ranked high included (1) those relating to instructional evaluation and accommodating special needs or nontraditional students, (2) keeping up-to-date professionally, and (3) maintaining technical competency in area of instruction.

Veir, Carole A. "Implementation Status of the Carl D. Perkins Act in Rural High Schools." *NASSP Bulletin* **73, no. 517 (May 1989): 102-13.** The author describes a study examining the status of vocational programs for special students (under the Carl D. Perkins Vocational Education Act) after two years' implementation in a northwestern state's rural schools. Results showed little concern for special students' vocational education; counseling services were inadequate, and vocational teachers' involvement in student placement was minimal.

Wardlow, George. "Recognizing Excellence in Agribusiness Education." *Agricultural Education Magazine* **58, no. 9 (March 1986): 20-1.**

White, Stephen and Others. Vocational Resource Educator: An Effective Transition Model for Rural America. *Journal of Rural and Small Schools* **2, no. 3 (Spring 1988): 6-10.** The authors describe a Montana project designed to improve vocational education and facilitate the transition from school to work for rural, special needs students. Examined in the article are the duties of the vocational resource educator, as consultant to 11 school districts and coordinator with adult service agencies and employers in the community.

V. GENERAL

Arends, Jane H. *Building on Excellence. Regional Priorities for the Improvement of Rural, Small Schools.* **National Rural, Small Schools Task Force, Regional Educational Laboratories, 1987. (RIEMAY88)** Conducted by the Council for Educational Development and Research, a national survey asked educators representing the nation's 8,889 small, rural school districts to indicate which of 40 items/issues facing rural, small schools needed improvement. The 4,364 respondents (827 school board presidents, 1,251 district superintendents, 1,283 principals, and 1,073 classroom teachers) agreed on only 4 issues: the importance of improving academic performance of students from low-income families; the need to improve students' thinking and reasoning skills; the task of recognizing/rewarding outstanding teachers; and the development of students' self-esteem and aspirations. Problems identified as least pressing were the availability of quality instructional materials, school/classroom atmosphere, and size and/or turnover of teachers and administrators. Those closest to the classroom exhibited greatest concern about the quality of rural, small schools. Concerns varied across regions of the country, with educators from southeastern states having many concerns about the quality of their schools. About a third of all respondents shared high concern for student mastery of basic academic skills as well as foreign languages and fine/performing arts. Nearly half of the teachers desired better on-the-job training, while 36% of board presidents didn't consider staff development to be in need of improvement.

Brown, William E. "A Discipline Survey on Rural Schools." *Rural Educator* **11, no. 1 (Fall 1989): 8-9.** The article discusses the results obtained from a survey of 161 rural teachers in Southwestern Ohio. Survey questions were asked in three areas: (1) the teacher's input into the school discipline plan; (2) Current discipline problems and practices; and (3) changes in discipline trends over the previous 10 years. The author offers 9 results gathered from the compiled results of the survey: (1) rural teacher's attitude/opinions toward school discipline reflects a feeling that parental support is much too weak; (2) corporal punishment is used much less; (3) due process procedures have a more negative than positive effect on school discipline; (4) teachers feel they had a great deal of input into development of their school's discipline plan; (5) the *Canter Assertive Discipline Method* is the most influential method; (6) in-service discipline is rarely received or observed; (7) the discipline situation of 10 years ago versus today is about the same; (8) although corporal punishment is being used less approximately 3/4's still advocate this behavioral change method; and (9) verbal reprimands and positive comments are the most used behavioral change method. Supporting statistics for these findings are provided in the article.

Carlsen, William S. and Faith Dunne. "Small Rural Schools: A Portrait." *High School Journal* **64, no. 7 (April 1981) 299-309.** The Small Schools Project of the National Rural Center conducted a national survey of the nation's smallest schools. This article summarizes the respondent's views on five critical issues of concern for those involved with rural education: changing enrollments, consolidation, educational resources, vocational education, and special education.

Cini, Maire and Stanley B. Baker. "Enhancing Rural Female Adolescents' Awareness of Nontraditional Careers." *Career Development Quarterly* **35, no. 4 (June 1987): 316-25.** Compared effectiveness in teaching nontraditional career awareness of a short-term program emphasizing nontraditional career awareness with a program which did not, and a no-program case. Used 39 female rural high school students as subjects. No significant differences were found.

Cole, Bob. "Teaching in a Time Machine: The "Make-Do" Mentality in Small-Town Schools." *Phi Delta Kappan* **70, no. 2 (October 1988): 139-44.** Half of all 16,023 U.S. school districts are both small and rural. During a decade of nationwide reform, these "forgotten" school districts find themselves fighting for survival rather than substantive reform. The author also found that teachers in rural Indiana are not able to rely on principals for instructional leadership nor on each other for professional enrichment.

Craig, Cheryl and Jim McLellan. "Split Grade Classrooms: An Educational Dilemma. *Education Canada* **27, no. 4 (Winter 1987): 4-9.** Although the single-grade classroom has emerged as the most prevalent administrative arrangement, the existence of the split grade phenomenon continues to be a part of educational tradition in both rural and urban schools, predominantly at the elementary levels. The authors point out that under such circumstances teachers are then forced to compromise curriculum to teach all levels simultaneously.

Enochs, Larry G. *Toward Improving Rural Schools with Implications for the Teaching of Science.* **New York: Carnegie Corporation and Johnson Foundation, Inc., 1988. (RIEJAN89)** The author studies the needs and strengths of rural schools with the intent of improving rural science education. Examined in the article is the history of rural schools. The author posits a rural-to-urban continuum of characteristics, citing studies that indicate rural schools are more effective in some ways than urban schools. The paper looks at needs of rural/small schools and the reasons those needs exist. Included is a list of recommendations by Kansas science teachers for addressing the needs of science educators generally. Also examined are the dynamics of change in rural schools and claims that many reform efforts have failed for lack of community consensus. Planning must be broad-based; technical assistance for implementation must be available to teachers; and change must be supported at the institutional level. Innovative approaches linking schools to their communities are suggested. Funding mechanisms are discussed. Conclusions are then synthesized from several other studies for improving science education in rural schools. Resources from outside the rural community will be needed, but sustained change will require support at the community level.

Ferra, Victor A., et al. "Rural Superintendents View Their Role: Ranking the Issues." *Research in Rural Education* **5, no. 1 (Winter 1988): 33-34.** The authors describe results of a survey of 30 superintendents who were asked to identify the most critical issues in managing and running small rural school districts. Results of the surveys indicate finances were the greatest work, followed by regional economic conditions, state regulations, salaries, and providing an adequate variety of classes.

Hoover, Wesley., et al. *Staff Development in Rural, Small Schools: A View from Rural Educators in the Southwest.* **1989. (RIEDEC89)** Little information exists to provide an accurate portrait of education in small rural school, including staff development practices and needs in such schools. The Southwest Educational Development Laboratory conducted a review of literature and a survey of rural educators in the Southwest concerning staff development in their schools. The survey represented an initial effort to describe the staff development activities that existed in rural small schools and the staff development activities that educators working at these schools actually preferred. A sample was drawn from Arkansas, Louisiana, New Mexico, Oklahoma, and Texas, for survey purposes, and structured interviews were conducted with 20 teachers. Results of the survey indicated that 80% of the respondents regularly participate in multiple staff development activities during the school year. The most frequent activities consist of one-shot lectures given by consultants from outside the district with little follow-up provided for the participants. The data also suggest that staff development activities are not typically planned and initiated at the local level, but from the top down, perhaps reflecting the fact that staff development is not based on local needs. While the data suggest strong tendencies towards episodic staff development, there are also signs of an emerging locally driven system as well. Topics covered were wide-ranging, from the basic to the controversial. The topics considered most relevant were those that offer immediately useful materials, or specific, directly applicable skills. The survey information is presented in 12 data tables.

Illinois State Board of Education. *Focus on Reform: State Action to Improve Schooling in Illinois.* **Springfield, IL: Illinois State Board of Education, 1985.** The report describes eight fundamental problems in Illinois elementary and secondary education, as identified by the Board through its studies, and the actions which have been proposed in response to these problems.

The eight problem areas discussed are: (1) the purpose of schools, (2) student learning, (3) school district accountability, (4) equal education opportunities, (5) quality of educational personnel, (6) dropouts, (7) education for employment, and (8) school finance. Also included in the report is an appendix consisting of a statistical profile of the 1982-83 school year. Included are data on financial resources; state, local, and federal funds; school districts by type and enrollment; public school attendance centers; public school buildings; public school enrollment comparisons; public school enrollment changes by county; public school enrollment by racial/ethnic distribution; nonpublic enrollment by affiliation; nonpublic enrollment comparison; absence rate by type of district; dropout data by grade level; bilingual education; vocational education enrollments; public school staff; teacher certificate trends; and teacher supply and demand.

Jess, James D. *Rural Education 1984: Issues and Impacting Forces. A Local Perspective.* **1984. (RIEAPR85)** The author points out that although rural America and local education have a traditional heritage of diversity, collectively rural schools share several unique features. These common features include the small size of most rural school districts, existing in sparsely populated areas, they are likely to be isolated from any major urban center, and they are both an extension and a reflection of the community they serve. Because of the symbiotic relationship that exists between the rural school and the rural community the school becomes the central focus of a rural community. The school generates a great deal of support, involvement, and pride from members of the community. Consolidation efforts centered around the "bigger is better" concept serve to weaken both the rural communities and the small schools integral to them. The author cites the Department of Education's **Rural Education and Rural Family Education Policy for the 80's**, as evidence of years of neglect of the rural school and its role. Traditionally research in the area has had a distinct antirural biases which has unfavorably compared rural schools to urban schools, promoted policies which encourage consolidation at the sacrifice of small school advantages, and inadequately dealt with financing and staffing inequities.

King, Cheryl E. "Some Basic Understandings about Rural Education and Staff Development." *Journal of Staff Development* **9, no. 4 (Fall 1988): 8-11.** The author finds that a rural staff developer's decisions should be based on a clear understanding of the unique characteristics of rural schools and rural teachers. The staff developer must understand rural staff development needs, obstacles and potential advantages of the rural setting, and characteristics of ideal staff development.

Martinez, Kathleen and Susan Mossman. "A Staff Renewal Center for Rural Education." *Rural Educator* **11, no. 1 (Fall 1989): 23-25.** Recognizing rural school district problems such as limited resources, sparse population, and pressure to provide the latest in instructional practices in a fast changing world a consortium of 24 superintendents in Northern New Mexico developed a staff renewal center to assist in coping. The Center is a concept, rather than a physical facility, designed to coordinate responsibilities for network training efforts. The Center is collaborative arrangement between New Mexico Highlands University, the University of New Mexico, and the State Department of Education. The consortium structure is capable of addressing inservice and other educational programs for students, teachers, administrators, and staff. The coordination occurs through: (1) the Center increasing the efficiency of preexisting network programs; (2) provision of a market place or clearing house where training ideas can be exchanged, developed, and actualized; and (3) maximization of inter-district resources through collaboration.

McCracken, J. David and Charles Miller. "Rural Teachers' Perceptions of Their Schools and Communities." *Research in Rural Education* **5, no. 2 (Spring 1988): 23-26.** The authors present the results of interviews with 24 teachers in 4 rural secondary schools concerning their level of satisfaction with teaching in rural schools, advantages and problems of rural schools and communities, factors helping or hindering better teaching, teacher role in curriculum development, and teacher extracurricular activities and outside jobs.

McCracken, J. David and Kerry S. Odell. Career Aspirations of Rural Secondary Students. *Journal of Vocational and Technical Education* **5, no. 1 (Fall 1988): 3-12.** The authors identify the career aspirations of 491 rural Ohio secondary students. The results indicate that rural schools emphasize preparation for college attendance and that rural parents hold educational expectations for their children higher than their own attainments. Students also had high expectations, especially with regard to salary.

McIntosh, Dean K. "Retention of Teachers in Rural Areas." *Rural Educator* **11, no. 1 (Fall 1989): 26-29.** The article points out that the retention of teachers, once employed in rural settings, is very difficult. Both teaching and living conditions, including the overall community atmosphere, can all discourage them after a very short period. In some cases the administrator is severely limited in what can be done. However, the author suggests a number of activities the administrator can undertake to increase retention, including: (1) continuing the teacher's education at the post bachelor level through specialized course work brought to the district by educational television, college faculty under contract, summer stipends to return to college, and sabbaticals; (2) support teams to assist the teacher in and out of school; and (3) working with parents, businesses, churches, and clubs in the community to make sure the teacher is accepted. The author stresses the key to retention is creativity.

MidContinent Regional Educational Laboratory. *Rural School Source Book.* **Kansas City, MO: MidContinent Regional Educational Laboratory, 1988.** The text provides descriptions of exemplary programs and practices from the states of Colorado, Kansas, Missouri, Nebraska, North Dakota, South Dakota, Wyoming.

Monk, David H. and Others. *Potential Effects of the Overburden Argument on the Funding of Rural Schools.* **Albany, NY: New York State Special Task Force on Equity and Excellence in Education, New York State Executive Office, 1981. (RIESEP82)** Designed to serve as an introduction to research currently being conducted on behalf of the Task Force into implications for rural schools of the Levittown decision, the primary purpose of this report is to provide background information and to provoke discussion about fiscal problems in rural areas. Two sections provide historical as well as legal perspectives on the state's responsibility for delivering educational services in rural areas. Historical analysis gives an overview of how the state has responded in the past and provides insight into the current nature of the state's involvement. Section III draws heavily on the Levittown decision and shows that a concern for problems that exist perhaps uniquely in rural schools is entirely consistent with the holding of the court. Section IV addresses whether there are costs peculiar to operating schools in rural areas and presents results of early attempts to document existence of these costs. The report concludes with a discussion of policy implications. Definitions for rural schools are proposed as well as a series of policies which might be recommended by the Task Force as a means of more completely fulfilling the state's responsibility to students and taxpayers in rural areas of the state.

Nachtigal, Paul. *What is Rural Education--The Next 50 Years.* **Paper presented at the Annual Kansas State University Rural and Small School Conference, Manhattan, KS, November 10-11, 1980. (RIEAPR81)** Four sets of variables are likely to influence the nature of rural education by the year 2030. The first trend characterizes the mass production model of education and calls for increased specialization. This trend is likely to be replaced by a broader, more integrated one in which the interrelationships between content areas will be more evident and practical application of knowledge and skills will gain importance. Secondly, counter trends in the widely accepted school consolidation policy will continue, and a second round of consolidation will take place which will move many schools form small towns and place them back in rural areas of the country. The third major variable, the centralization of decision making, is expected to undergo changes, as demands for local control by rural communities increase. The fourth variable, that of practicing a philosophy that encourages the homogenization of society by eliminating ethnic and cultural differences, is likely to be replaced by a wider acceptance of bilingual and bicultural education. After 80 years of urbanization and standardization, changes in rural education during the next 50 years are anticipated to be more substantive than quantitative, resulting in a more favorable climate in tune with rural reality.

National Rural, Small School Task Force. *End of the Road: Rural America's Poor Students and Poor Schools.* **Kansas City KS: MidContinent Regional Education Laboratories, 1988. (RIEMAY89)** Across the nation, more than 2.2 million children attend 2,750 rural school districts that suffer from chronic, severe poverty. The National Rural Small Schools Task Force oversees nine regional educational laboratories as they identify and develop promising educational practices for rural, small schools. One laboratory developed a data base containing size, rurality, and income data for all U.S. school districts, and per pupil expenditure and student achievement data for districts in 17 states. Analysis of the 17-state sample showed the 49% of its school districts (2,587) were both small and rural, and 28% of these (717) ranked in the bottom quarter of districts in their state on at least two of three indicators: family wealth, per pupil expenditure, and student achievement. By adding large rural districts and projecting analyses to all 50 states, this report estimates that 2,750 U.S. rural school districts are chronically poor. During the first year of the rural small schools initiative, the laboratories developed or identified 39 promising practices for improving rural schools. Generally, these practices help schools solve their own problems, help policymakers make sound decisions, and install proven ideas in schools and communities. This report contains: (1) Task Force recommendations to the laboratories for second year activities and future funding possibilities; (2) data on poor rural school districts in Arkansas, California, Connecticut, Iowa, Kentucky, Massachusetts, Mississippi, Oregon, and West Virginia; and (3) the purpose, description, key features, results, and sites of the 39 promising educational practices.

Nolin, Reginald S. and Charles A. Sloan. "A Unique Model for Small School Survival." *Catalyst for Change* **10, no. 3 (Spring 1981): 7-9.** Presents a model for sharing resources and services between small schools; the model is currently being utilized in four small school districts in the midwestern United States.

Rios, Betty Rose D. "Selected Trends and Issues in Rural Education and Small Schools." New Mexico (1987). (RIEMAY88) The author finds that rural America and its schools, encompassing nearly two-thirds of the 15,600 school districts in the United States, face an incredible array of challenges. Trends representing changes in the demographic, economic, and social nature are creating a new rural America beset by many problems. Discussed in the article are such socioeconomic trends as a lack of decline in rural poverty; a rural population which is declining or growing at a lower rate than urban areas; and rural areas are maintaining their traditional higher percentage of children and have a proportionately greater need for elementary and secondary education. Included among the trends/issues in rural education discussed are school consolidation and its alternatives; utilization of distance education strategies; teacher preparation, recruitment, and retention; and rural school effectiveness. The author argues that recent efforts to determine research agendas for rural education will help alleviate the historic lack of research and information on rural education.

Salmon, Paul B. *Small School Districts' Concerns for the 80s.* **Prepared for Subcommittee on Elementary, Secondary, and Vocational Education, 1980. (RIEMAR81)** Though small school districts comprise the majority of school districts in the United States, they have been overshadowed by the needs and standards applied to the larger schools. Problems specific to small school districts include lack of resources and financial strength, narrower range of program offerings, educational equity, and lack of evaluation standards that consider the differences between large and small school districts. Among advantages in small school districts are greater community and student involvement and better student/teacher/parent relationships. Because they have a profound impact on the local community, the contributions of small school districts should be valued and supported through equality of resources and programs, recognition of accomplishments, and understanding.

Sesney, John. *Substance Use and Abuse in the Rural Inland Northwest.* **Washington, DC: Department of Education, 1989. (RIEJAN90)** Alcohol and drug use among youth has been of increased concern to educators, politicians, parents, and students in the past few years. The purpose of this study was to examine the incidence and use of alcohol and drugs in the rural

BEST COPY AVAILABLE

region of northern Idaho and eastern Washington state. A questionnaire was designed to collect demographic information and a variety of opinions, attitudes, and values regarding alcohol and drug use. In addition to a student questionnaire, a parental and school personnel form was developed to access the same content areas. The instrument was administered to 5,435 junior and high school students. The incidence of drug and alcohol use was compared to national averages. Use levels of drugs in the rural Northwest were generally below national averages. Alcohol was reported to be the most used drug, with only 17.3% of high school seniors surveyed reporting that they never used alcohol. Although 83% of the respondents reported never using marijuana, 3% said they used marijuana daily. Although marijuana, tobacco, and hard drug use appeared to be lower than national averages, alcohol use was similar to the national average, with 82.7% of seniors reporting having tried alcohol. Hopefully, the data will be of use for particular districts and communities as they develop specific alcohol and drug education curricula.

Sher, Jonathan P. *Revitalizing Rural Education: A Legislator's Handbook.* **Washington, DC: National Institute of Education, 1978. (RIEJUL78)** The handbook provides narrative and statistical tables detailing rural education trends and issues confronting state legislatures. The report is designed to provide state legislators with information they may need to better understand rural implications of statewide education reforms. Chapters in the handbook are structured along five basic guidelines for rural school reform: (1) respect for primacy of local circumstances; (2) expansion and strengthening of bonds between school and community; (3) more equitable balance between outside regulation and local control; (4) treatment of structural and substantive reforms as separate and distinct issues; and (5) capitalizing on strengths of rural schools as well as correcting deficiencies. The report focuses in on five subject areas: (1) an overview of rural America and its schools in terms of demographic, economic, and educational factors; (2) school/school district organization in sparsely populated areas, with an emphasis on the consolidation movement; (3) school finance issues, with special relevance for U.S. rural areas; (4) background information on personnel issues in rural education, including teacher salaries and training programs; and (5) the delivery of educational services and development of educational programs appropriate for rural communities.

Stephens, Robert E. "Toward the Construction of a Research and Development Agenda for Rural Education." College Park, MD: Department of Education Policy, Planning, and Administration, College of Education, University of Maryland at College Park, 1984. The author discusses what he considers to be the primary reasons behind the lack of the development of an adequate body of literature on rural education. The seven reasons listed in the article are: (1) a lack of appreciation for the differences between rural and urban; (2) rural education has lacked the appeal of urban education in the academic community; (3) few professionals have devoted their career to the study or rural education; (4) there has been a historical lack of networking in the professional and research communities; (5) rural education has not been the focus of as much concern as urban because of the lack of perceived crisis; (6) there has been a lack of understanding of the breadth and scope of rural education; and (7) the driving force behind rural education research, the National Institute of Education, is relatively new. The lack of research described by the author has limited academic and policy responsiveness to rural school needs and rural education improvement efforts. Citing this historic problem, the author suggests the development of a rural education research agenda centered around six themes: (1) problems of minorities and those other special populations served by rural schools; (2) characteristics of effective rural schools, especially secondary schools; (3) characteristics of effective leadership in rural schools; (4) the determinants and consequences of interorganizational collaboration; (5) support for the frequent claim that rural schools are superior because of greater individualized instruction; and (6) support for the frequent claim that rural schools are better because of greater community involvement and local control. An agenda focused around these six themes should touch on many of the basic problems confronting rural schools and their communities. To get the agenda off the ground the author suggests: (1) the establishment of a meaningful taxonomy of rural schools; (2) the development of university rural education centers; (3) support for journals that specialize in rural education; and (4) establishment of a process to promote initiatives judged by the profession to be of a vital nature.

Stephens, E. Robert., et al. *Designing Organizational Effectiveness Studies of Rural and Small School Districts.* **1988. (RIEOCT89)** Considerable attention has been given to organizational effectiveness of public sector organizations at all levels: local, state, and federal. Public education has not escaped this scrutiny. Current examinations of the effectiveness, efficiency, and quality of education are more intense than that of other public sector organization. The organizational effectiveness of rural small school districts has been of particular interest. Rural schools have long been regarded as inferior to their counterparts in other settings, and in fact, rural districts have felt the pressures of new, potentially damaging demands on programs and services caused by declining enrollments, state reform initiatives, and depressed economic conditions. Although organizational effectiveness is a popular topic, no meaningful definition of the topic, nor of effectiveness exists. The design of the organizational effectiveness study described in this paper is based on these points: (1) there cannot, at this time, be one universal model of organizational effectiveness because there is not a universal theory of organizations; and (2) it is more worthwhile to develop frameworks for assessing effectiveness than to try to develop theories. This design for assessing the organizational effectiveness of rural, small school districts consists of five major, mostly sequential, steps: (1) considering major policy and technical issues; (2) agreeing on how to think about the organization's various subsystems; (3) translation of measures of quality into standards; and (5) establishing the presence or absence of a standard.

Stewart, G. Kent. "Confirming Enrollment Projections in Rural Districts." *CEFP Journal* **25, no. 3 (May/June 1987): 16-17.** Small school districts have little leeway in predicting school enrollment. The basic tool of cohort survival technique can be augmented with the district census study and strategically located volunteers to monitor move-ins and move-outs within an assigned geographic area of the school district.

Theobold, Paul. "Districts on the Edge: The Impact of Urban Sprawl on a Rural Community." *Research in Rural Education* **5, no. 2 (Spring 1988): 9-15.** The article portrays the controversy surrounding schools and education in a rural community experiencing both an influx of urban and suburban newcomers and the effects of urban sprawl. Reports on surveys of student educational attitudes, household information, and outside activities, and on interviews with teachers, school administrators, and residents.

White, Jane Robertson. *A Small Rural Community's Poor and Its Impact on Educational Opportunities.* **Albany, NY: New York State Legislature, 1986. (RIEMAR88)** The problems of Knowville, a small school district (K-12 enrollment: 408) in the central farming region of New York State were examined by a research team from Cornell University. Interviews were conducted with residents of the community, school board members, teachers, administrators, and students in the school. This Knowville case study report is divided into three sections. The first describes the community (geographic location, the school district's history, the community's economic base, civic organizations, and the baseball stadium) and Knowville's wealth measures, which are in the middle range by state standards. The second section considers the school system itself and examines staffing, the buildings, the elementary and high school curricula, special education, guidance services, state test results, and the eligibility policy. The last section looks at the inadequate physical plant and associated problems, including the defeats of various new building proposals, the lack of long range planning on the part of the school board, and the perception of the inhabitants that Knowville is poor in comparison to the relative wealth of neighboring towns. Finally, some suggestions are made as to how Knowville can alleviate its problems. Representative interviewee opinions are included.

Wood, Fred H. and Paul F. Kleine. "Rural Staff Development Research: A Small Step Forward." *Journal of Staff Development* **9, no. 4 (Fall 1988): 2-7.** Research on staff development in rural and non-rural settings provides guidelines for effective practice. Research on rural staff development, however, must be increased and become more systematic and focused.

VI. ADDITIONAL RESOURCES

Bass, Gerald R. "Geographical Isolation Factors: The Literature." From *Enactment and Impact of Geographical Isolation Factors in Public School Revenue Legislation in Three Selected States,* **Ph.D. thesis, University of North Dakota, 1980. (RIEMAY83)** Presented by the author is a review of literature pertaining to geographical isolation factors. The inclusion of a geographical isolation factor in a state's distribution formula for foundation aid is a mechanism for providing additional revenue to small schools or school districts that, because of geographical location, cannot be consolidated into more efficient units. The author develops a rationale for such factors by briefly examining the literature dealing with the problems facing small schools. Problems examined include the high cost of operation stemming from low student-teacher ratios; increased transportation costs; fixed costs that do not decrease with school size; the inability to offer a broad curriculum; an inability to attract a well-qualified staff; and inefficiency. Also provided are possible methods for dealing with such problems. These include interdistrict cooperation; formation or expansion of intermediate regional education agencies; increased state aid; and school district consolidation. Also included is a review of the criteria to be included in the formulation of geographical isolation factors, including the maximum size that such a school may have and a definition of isolation. Finally, methods for apportioning supplemental revenues to geographically isolated schools are reviewed.

Creative Collaboration: Setting the Pace in Rural and Small School Education. **Proceedings of the Annual National Rural and Small School Conference, Arlington, VA, October 13-17, 1987. (RIEAUG89)** Presented are the proceedings of the Annual National Rural and Small Schools Conference. The work contains 87 presentations, including 65 complete or edited transcripts and 22 abstracts. Eighteen papers address the conference theme of creative collaboration, describing cooperative agreements between universities and school districts to provide enhanced high school curricula, college preparation courses, and opportunities for teacher education, and among several rural school districts to share resources, support personnel, and educational specialists. Fifteen papers consider problems and challenges of, and solutions to, serving disabled students in rural settings. Twelve papers are concerned with rural teachers: their importance to rural education, inservice training and professional development, and recruitment and morale. Six papers describe the latest applications of distance learning to rural education. Other topics include funding of rural education, present and future Congressional support for rural and small schools, innovative rural special education projects, student motivation, small school effectiveness, school decentralization in Norway, oral history in the curriculum of a remote Alaska school, Indian vocational education in a remote area, dropout prevention, gifted programs in rural schools, science and technology programs for rural and small schools, student peer groups in small schools, critical thinking training for K-12, and GED (General Educational Development) and adult literacy programs.

Green, Gary and Wanda Stevens. "What Research Says About Small Schools." *Rural Educator* **10, no. 1 (Fall 1988): 9-13.** The authors are concerned with providing the information necessary to answer to the question, "Does a school's size have any measurable effect on the over-all achievement of its students?" The article uses literature identified through an ERIC search to provide a base of research concerning: (1) school size and participation; and (2) school size and academic achievement. The literature indicates that large schools are more economical in terms of dollar cost per student served and provide more of a variety of academic and extracurricular experiences. However, small size, by itself, does not appear to lower academic achievement and in the case of student participation it does appear to enhance the opportunities for students. The authors also found that more than size must be taken into account when examining the relationships, including: teacher pupil ratio; expenditure per pupil; mean educational level of district patrons; and percentage of minorities. The article provides numerous references to the literature for those concerned with the issue.

Lows, Raymond L. *Rural School Finance: A Critical Analysis of Current Practice in Illinois.* **Paper presented at the National Rural Education Research Forum, Bismarck, ND, September 23-24, 1988. (RIEFEB90)** A knowledge of school finance is basic to understanding and improving the condition of rural education is the argument made by the author. Information necessary for financial planning and policy development at the state and local levels is stored in large computer readable data bases and needs to be accessed. Pertinent data elements need to be extracted from the data base and relationships among the data need to be identified. A study conducted in Illinois in 1987-88 established a multidimensional definition of rural education for use with large computer readable data bases. A unit school district operating grades K-12 was classified as rural if it met at least four of the following five criteria: (1) enrollments of less than 1,350; (2) pupil sparsity of less than 15 pupils per square mile; (3) assessed valuation of at least 25% from farmland or mineral properties; (4) assessed valuation of at least 25% from farmland; and (5) location outside a Standard Metropolitan Statistical Area. Although rural and small nonrurual schools may be similar in many ways, they are dissimilar in ability to access revenues for education and in their efforts to support educational programs. When effort to provide educational programs was measured not by property tax rates but by ratio of operating expenditures per pupil to median family income, rural school districts made a proportionately greater effort. School aid formulas which include income in the wealth measure would provide increased benefits to rural school districts with lower median family incomes. Proposed two-stage state-local finance systems would provide equalization of resources across all school districts. Use of the definition of a rural school district as established in this study to access computer-readable information would facilitate further efforts to describe and improve the condition of rural education.

Massey, Sara. *Rural Education: An Annotated Bibliography.* **Machias, ME: Maine University, Machias, Maine, April 1982. (RIENOV82)** The author compiled this 120-item annotated bibliography for a course entitled "Topics in Rural Education." Although the dates for the included articles range from 1964 to 1982, most of the materials were prepared in the 1970's and 1980's. The bibliography is organized into six sections. Section I includes materials discussing rural education which provide an overview or comprehensive perspective, definitions, or demographics. Sections II-IV include materials addressing major rural education issues such as school organization, financing, legislation, staff recruitment and maintenance, instruction, and services. Section V provides a listing of organizations, journals, and films which deal with rural topics. Section VI lists other resources which relate to rural topics or may be of interest to those studying rural education.

Matthes, William A. *School Effectiveness: The Teacher's Perspective.* **1987. (RIEAPR89)** The author provides a review of literature on effective schools from the rural teacher's viewpoint. While research on rural education has frequently focused on economic and structural issues, the teacher is the key to the quality of rural education. However, rural teachers encounter more stressful teaching conditions than urban or suburban teachers, leading to a higher attrition rate. The most significant teacher attribute in effective schools is a sense of teacher efficacy related to student achievement. Schools that nurture this sense of efficacy involve teachers in the planning process, foster faculty openness and collaborative behavior, have clear expectations for teachers and students, recognize teacher and student achievements, and encourage teachers' professional growth, entrepreneurial skills, and commitment to the community. Educators attempting to achieve educational reforms in rural settings face inherent resistance to change in education systems, complicated by the economic deficiencies found in most rural areas. The report discusses emerging trends in educator preparation and certification, conditions for professional practice, and the direction of effective school research. It evaluates these trends as they relate to effective school findings and the special needs of rural schools.

Nelson, Erik. *School Consolidation: ERIC Digest, Number 13.* **Eugene, OR: ERIC Clearinghouse on Educational Management, 1985. (RIEOCT87)** In this ERIC digest the advantages of consolidation are recognized, but detailed are the negative side effects that may occur from such a reorganization. Larger schools offer advantages such as a greater variety of activities, economic efficiency, and a sense of identity in the community. The negative effects of such a consolidation include: less human contact, less input from teachers in decision-making, and fewer opportunities for change. Further, when a school is the only source of community services, its closure may be expected to have a devastating impact after consolidation. The author argues that the welfare of the community should be considered before making the decision to consolidate.

O'Neal, Linda and Weldon Beckner. *A Review of Literature on Rural and/or Small Schools.* **1980. (RIEDEC80)** The authors provide a general examination of rural and small schools. Included in the article is a historical examination of the issue of consolidation which begins in 1918, when the trend toward consolidation of one-room schools was first indicated and continues well beyond the depression. During the period 1932 to 1976, the number of school districts decreased from 127,000 to 16,276. Cited is the work of Sher and Tompkins (1976) which postulates that school consolidation has had its strengths exaggerated, weaknesses ignored, and overall merits for educational reform seriously oversold. Sher and Tompkins also report that not a single 1 of 14 recent consolidation studies controlling for IQ and socioeconomic effects records a consistent, positive correlation between size of school and academic achievement. Also included in the report is a discussion of the trends indicating support of goals for the 1970's; a listing of the goals for the 1980's; the strengths and weaknesses of small schools from the viewpoints of administration, teacher, student, community, guidance, atmosphere, finance, curriculum, student achievement, staffing, morale, and cultural opportunity; and a review of promising practices.

School Size. **Eugene, OR: ERIC Clearinghouse on Educational Management, 1981. (RIEMAY82)** The 11 items in this annotated bibliography are entries in the ERIC system concerning the effects of school size. Research studies cited center on existing and recommended sizes for school; relationships between the size of schools and districts and the costs of education; economies of scale; and the effects of school size on achievement, student participation, student alienation, maintenance costs, and overall educational quality. More theoretical analyses look at the importance of administrative structure and at myths purportedly surrounding rural school and district consolidation.

School Size: A Reassessment of the Small School. **Eugene, OR: ERIC Clearinghouse on Educational Management, 1982. (RIEJUL82)** The movement toward school consolidation was triggered by James Bryant Conant's contention that larger schools are more efficient and offer more comprehensive programs. Many studies seem to support the claim that larger schools are cheaper to operate. Yet problems with these studies include wide variation in the minimum, optimum, and maximum sizes favored by writers and difficulties in comparing cost figures. Furthermore, there is great disagreement in the research about whether larger schools in fact offer higher quality education. Some studies suggest that schools can be both too small and too large to be effective, with 1,600 to 1,700 suggested as the optimum size for high schools. The most reliable studies show that size makes no difference in academic achievement. Regardless of research findings, parents favor smaller schools. Research suggests that this predilection may result from the presence of innovative and involved teachers, supportive atmosphere, and closer connections between principal and staff in small schools. Perhaps educators should look for ways to overcome shortcomings of small schools and accentuate their advantages.

RURAL HEALTH

Bikash R. Nandy and Elena M. Sliepcevich
Southern Illinois University at Carbondale

As we enter a new decade, rural health is a timely and critical concern. It has been voiced in the Congress and echoed in the communities, time and again, that rural America has been ignored. The variety of issues and ideas reflected in the articles included in this annotated bibliography indicate growing interest in rural health issues. Rural health, virtually, encompasses many disciplines and links many professional and academic interest areas. But the root of all the concerns relating to rural health is perhaps the rural financial crisis. The rural financial crisis, it appears, has crippled the rural economy and shattered the health care delivery system in rural communities.

In recent times, rural health and human service issues have reappeared on the political scene and have been debated for legislative considerations. Research concerning the apparent causes and consequences of the rural health crisis increased enormously through the past decade. Most was funded by the federal government, some by state governments, others by the major foundations and corporations and very little by individual communities. Centers for rural health are growing nationwide and many of them are located within university systems, primarily with a research focus directed at the real problems of rural health and innovative solutions. If we are to understand the causes of the rural health crisis, it is essential to look at the changing rural environments and sociodemographic conditions that add to this status: farm financial crisis, changing population trend, rural hospital closures, cutbacks of federal programs, physician and nursing shortages, increasing rural elderly, and changed needs and demands of the rural consumers, to name a few.

In this annotated bibliography, we have covered a large number of topics and issues. A list of these appears below for the convenience of readers and to emphasize the magnitude of rural health problem areas. We have rank-ordered the issues on the basis of frequency of its appearances in this bibliography, just to satisfy personal curiosity. Yet it gives an idea how the topics have dominated the literature on rural health in terms of frequency.

Rural Health Care Policy and Research
Rural Hospital Closures
Physician Shortage
Maternal and Perinatal Health
Adolescent Health
Primary Care
Rural Elderly
Strategic Planning for Rural Health Crisis
Non-hospital Alternatives
Rural Uninsured Poor
Mental Health
Rural Population Trends
Collaboration and Partnerships
Migrant Health
Nursing Shortage
Nursing Home Employee Problems
Rural Disaster Plan
Rural Homeless Health
Rural Health Clinics
Rural Injuries
Rural Hospice Care
Rural Women's Health
Infant Mortality
Rural Community Psychology

Proprietary/Multistate Corporations' Taking Over
Community Hospitals
Legislative Process
Rural Health Information Source Materials
Rural Medical Ethics

Although rural health policy ranks first in terms of the largest number of related articles in this volume, we will address this topic last. Health policy is an abstract issue and encompasses all of the major areas. We would like to comment on some of the important topics, reflected in this bibliography, which are more tangible in nature and more visible in day to day rural life, that are reflected in this bibliography. We confine our discussion to these articles only.

Rural Hospital Closure

The most critical problem the rural communities are now facing is undoubtedly the closure of their local hospitals. Rural hospitals in the United States, since the beginning of the last century, have been an important part of the health care system. There are about 2600 such hospitals in rural America, constituting 48 percent of all the short-stay non-federal general hospitals. Fifty percent of these hospitals are small rural institutions of 100 beds or less. Most of these hospitals located in the rural areas have been facing survival problems both professionally and financially since the early 1980s. For example, 160 rural hospitals closed during 1980 through 1987 and the rate of closure is even more serious since 1983 with 39 closing in 1987 alone. In addition to federal and state efforts, several large foundations funded research projects designed to identify critical issues and recommend ways and options to resolve the problem. Major studies suggest recruiting an adequate number of physicians with appropriate mix and other health care personnel and increasing the proportion of insured people. In Illinois alone, about I.5 million of the population is uninsured. Rural hospitals, largely, differ from urban hospitals in dealing with smaller number of patients, shorter length of stays, and disproportionately high Medicare patients. In addition to basic services, some rural hospitals also provide common emergency care, obstetrical, surgical and long-term care together with home care programs. Considering the important role in the delivery of vital health care at modest cost, many researchers suggest the need for federal policy readjustments to stabilize these dying institutions. Oftentimes, rural hospitals dominate the economic scene of the community and closure would mean serious employment problems and economic jeopardy. Many researchers suggest a consortium approach to strengthen service delivery and financial abilities. Some advise maximum possible decentralization because some communities are too sparsely populated to support a hospital or even a full-time physician. Some of them are of the opinion that rural providers must cope with the social forces in view of the growing elderly population. Some think, rural hospitals must meet the needs of the community. For instance, in Illinois, during the period 1982 through 1986, generally, hospital utilization rates for all clinical services have been declining. The demand for specialities has increased. Rates of use of psychiatric and substance abuse also have gone up substantially during the period. These shifts have not affected only the metropolitan areas but also the rural communities of Illinois. A few researchers recommend instituting "managed care" in such areas of operation as executive management, strategic planning, marketing, legal counsel, clinical services delivery, finance, human resources and administrative services. These might help the rural hospitals implement appropriate competitive strategies.

Hospital linkages is another option proposed by many of the authors. Future research needs to examine environmental circumstances that facilitate many rural hospital linkages with multihospital systems. Such an approach may or may not result in positive economic and other benefits for rural hospitals, but it is certainly worth considering. There are concerns about federal payments to rural hospitals. Federal payments should be made in a more timely manner, since rural institutions dependent upon Medicare are smaller, and they have unique cash flow problems. There are recommendations to establish a new grant authority to help rural hospitals to adapt to the changing health care market. The rural hospital is being threatened by a number of factors, including the Medicare Prospective Payment System (PPS), declining occupancy rate, under-capitalization, competition from urban areas, and increased utilization of alternative delivery systems. In order to survive, rural hospitals have to utilize different planning strategies to cope with financial instability, including mergers, sharing of services, long term care and others. Networks need to be created using new patterns of organization such as sharing arrangements, alliances, joint ventures, and cooperative arrangements. The most important issue facing all hospitals is said to be the cutbacks of federal program dollars. It has definitely affected the rural hospitals greatly. The inadequacy and inequity of federal payments to hospitals for services provided to Medicare beneficiaries have been challenged repeatedly. The issue concerning medical malpractice premiums for rural physicians and hospitals also contributes to dislocating health care services.

Some health leaders emphasize the need for rural health advocacy. State and federal legislators must be responsive to these needs of the rural health care communities. Although the rural hospital crisis is centered primarily around the financial crisis, rural hospitals do not have much future unless feasible alternatives for health service delivery are explored. The diversity and cooperative linkages may be the viable answers to some of these questions. There seem to be some common threads running through the articles dealing with problems, issues and needs of rural communities to adapt to changes and proposed solutions. The shift from traditional hospital to non-hospital alternatives also has been suggested by some authors. One of the papers has some of the most imaginative solutions. The author denies the necessity of traditional hospitals in the rural communities. He suggests a menu of nonhospital alternatives such as a much smaller building located on the highway, emergency facility on an equipped truck, using the doctors' office for surgical needs, and use of midlevel health professionals. Rural hospitals even may be conceived as smaller facilities using updated technology which might open up opportunities to affordable high quality services in low density areas.

Rural Physician Shortage

Another major concern of the rural health care delivery system is the shortage of physicians. Researchers found that between 1975 and 1985, the number of physicians per 100,000 residents grew about three times faster in the urban United States than in rural areas. It is becoming difficult to attract and to retain physicians in rural medical practice. Physicians, perhaps, do not find relevance in engaging themselves in rural practice in terms of their urban oriented and technologically sophisticated academic training in the medical school. Community oriented medical education has been proposed by many health professionals and researchers.

Interests and involvement of medical students must be augmented to enable physicians to adapt to rural settings. Several efforts were made in the past to improve health care delivery in health care shortage areas by appropriate placement of health professionals. But some studies document that young physicians select counties with high population, rich health resources, presence of a college, greater white collar employment and less farm population. Further, with many specialities, young physicians may not get enough opportunities to practice in rural communities. Nevertheless, government programs should attempt to make medical practice in rural areas attractive to new physicians. Traditionally, national health policies which had been formulated primarily to meet urban needs were applied to rural areas. Only in the recent times, have rural human service needs been refocused and debated in the United States Congress. The Congress recently discussed making amendments to Medicare and introducing a Catastrophic Health Care Bill. It suggested paying an attractive bonus to physicians who treat Medicare patients in rural under-served areas as an incentive to encourage physicians to maintain rural practice. The major explanation for the rapid decline of family physicians perhaps is the differential payment systems between rural and urban physicians, closing of small town and rural hospitals, and the malpractice crisis in obstetric services. All of the crises in combination with personal and economic pressures adversely affected primary care physicians and recent graduates in the choice of practice in rural locations. Finally, improved recruitment and retention of rural physicians by introducing state-subsidized and community sponsored scholarships for rural youths may be an answer to some of the questions relating to physician shortages in the future.

Rural Perinatal Care

Among other things, limited perinatal care in the rural communities is probably the most unjustifiable service failure of the rural health care system. Rural family physicians are often the only source of obstetrical care. Many family physicians, severely affected by rising malpractice premiums, are reluctant to provide these services, particularly in rural areas. In view of this situation, it is likely that rural women obtain inadequate prenatal care, followed by early labor complications, and subsequently, obtain adverse perinatal outcomes and experience increased perinatal risk. Researchers have cited evidences that this crisis resulted in undesirable birth outcomes, which may have implications for increased health care costs in the future. Moreover, disadvantaged rural families are the most serious victims of this crisis as they are unable to obtain appropriate maternity and infant health care outside the community. Some of the states have taken up the issue for legislative consideration by compensating primary care physicians engaged in obstetric duties for their malpractice premiums. One of the authors cited in this bibliography suggests the services of midwives in providing routine maternity care and obtaining services of specialists for high-risk cases.

Rural Adolescent Health

Adolescents living in rural areas are no different than other adolescents in their addictive habits of cigarette smoking, alcohol use and drug abuse. Researchers found a positive correlation between use of cigarettes and absenteeism from school. In the school system in southern Illinois, alcohol was considered the number one drug problem. Driving under the influence (DUI) constitutes a major public health problem among rural adolescents. Educators and parents and community members felt a strong need for a comprehensive drug education program for the Junior and Senior high school system.

Primary Care

Primary care is an important component in American health care planning and financing despite the increasing specialization in medical practice and physician payment for speciality services. However, primary care has been considered as the basic health care service required for personal illness, chronic disease management or for health maintenance together with emergency health care, preventive health services, immunizations and so forth. Several authors note that primary care can be provided by a variety of personnel from nursing, dentistry, optometry, pharmacy and social work and it may not be provided exclusively by the physicians. Primary care must be community responsive. Two commonly diagnosed problems in primary care, anxiety and depression, can be dealt with more appropriately by social workers rather than primary care physicians. The skills and the professional preparations of social workers are appropriate to deal with problems like Alzheimer's disease and AIDS. Humanistic approaches are, perhaps, far more relevant to rural primary care than are technologized and dehumanized medical models.

Rural Elderly

The increasing numbers of older persons in the United States and their disproportionate use of health care services already have presented the nation's health care system some complicated issues. Since one out of every four elders live in rural areas, totaling 6.5 million (1980), the rural health care system has to be modified to deal with this over-burdened and complex situation.

There is a five-fold increase in the life-span of the mentally retarded rural elderly in recent decades and since they are twice as likely to develop severe behavioral problems, the rural health care system has to be geared to deal with this population. Some of the authors suggest further research on rural health services, oriented specifically to a rural elderly population to understand better the location and distribution of the elderly, their life conditions affecting their health, their health status, the development of service deficiencies and the resulting impact.

Training of health care providers has to be reoriented to geriatric medicine in a major way. Services for the rural elderly in the rural areas are very limited. Authors have raised the question of an alternative, informal helping network development to deal with the rural elderly. A consortium approach also may be a plausible alternative.

Strategic Rural Planning

Several authors propose strategic planning as a measure of solution to the rural health care crisis. What these authors have in mind is the promotion of partnership programs to narrow the service gaps by helping each other. State agreement and community agencies can work together in identifying rural health care access issues and concerns together with improvising strategies to improve access. The major strategies suggested relate to in-house institutional planning, marketing of services, diversifying services, corporate restructuring, innovative recruitment and staffing techniques, and formal and informal multi-system agreements adapted to particular circumstances and needs.

Rural Uninsured Poor

The number of uninsured Americans is growing. The lack of insurance retards access to health care resulting in reduced use of services particularly for those who are poor. The number of poor women under 18 years of age in need of perinatal care often falls under this category.

Rural Population Trends

Rural population is no longer homogenous. The policy for today's rural America must focus on two key ingredients: an overall diversity that exists within rural America, and the instability and vulnerability at the local level. These ingredients have implications for different health care delivery mechanisms through policy adjustments and research. Demographic characteristics also point to a higher proportion of persons 65 and over in rural areas compared to urban areas, in every region of the United States. Fifteen states had over one-half of their population living in non-metro areas, and 15 percent of all non-metro families lived in poverty in 1985. People of rural areas were likely to be more deprived of health care, health insurance and of proper health than their urban counterparts.

Nursing Shortage

In rural health care or for that matter in any other rural health care facilities, nurses are the essential health care providers. An acute shortage of trained nurses is likely to disrupt the rural health care systems. By and large, nursing shortages have been felt in the United States for the past 40 years. The nursing workforce now numbers around 2 million and, in the past 30 years, exceeded the population growth. But the supply is actually dropping in proportion to the demand because of declining enrollments in nursing schools. Some authors suggest inducting high school students to nursing at an early stage of their career selection. Establishment of cooperative arrangements between health care institutions and educational institutions is suggested by a few authors. Actions are needed to recruit the brightest students to nursing to create a supportive work environment of autonomous nursing practice and to enhance the knowledge and capability of the nurses already practicing.

Migrant Health

Migrant and seasonal farm workers make up a significant portion of American labor force. Their contribution to American agricultural economy is also quite significant. Unfortunately most of these workers are below poverty level. Because of their complex residency status, they are often excluded from health insurance by their employers and from the mainstream health care system. Migrant families deserve quality health care regardless of their citizenship, financial resources or language differences.

Rural Homeless

There are eligibility requirements to qualify as homeless and to receive health care services. Some problems are common to homeless people, such as alcoholism or mental illness. Homelessness is another disgrace America is facing nationwide and the situation is still worse, though mostly in disguise, in the rural areas where formerly it was handled informally through community self-help network. Since the rural informal community can no longer shoulder the burden alone, due to farm financial crisis rurual homeless problems need to be addressed with considerable importance. Rural homelessness is an economic problem. A rising number of younger homeless people in the rural areas is probably a case in point.

Rural Health Clinics

There has been attention given to increasing the availability of health care providers in underserved rural areas by allowing reimbursement of services provided by nurse practitioners and physicians' assistants. The Illinois Rural Health Clinic Certification Act was meant to recognize existing or new clinics and physicians' offices as rural health clinics. In some of the rural areas in the country, nurse practitioners may have the option to own their own clinic and be entitled to Medicare reimbursement. But the responses to set up such clinics have not been encouraging. Promotion of this concept is perhaps needed to motivate nurse practitioners to start health clinics in rural areas, as needed.

Other Rural Health Problems

There are various other problems which rural communities encounter on a regular or on an occasional basis such as infant mortality, health of rural women, home health care facilities, hospice care, rural veterans' health, rural emergency service, rural disaster, and clean water. All these problems cannot be solved at once or at the same time, but preparations for effective plans to reduce rural health care deficiencies have to be started with greater acceleration and with priorities judiciously allocated.

Rural Health Care Policy

One of our major observations, based on the articles included in this bibliography, is that the rural health care policy, as it exists now, is not working for rural communities. The reasons why it is not working are reflected in the numerous issues discussed. These are extremely broad-based and are, perhaps, latent in the health policy. The major factors which the researchers found that seriously dislocated rural health care in recent times, are: depressed rural economy and its effects on local government revenues, hospital closures, physician and nursing shortages, increasing rural elderly population, and changed needs for a wide range of services. As far as Illinois is concerned, the single most important reason for this health care crisis is probably due to hospital closures of the 1980s. The reasons that can be cited are under-funded Medicaid, inadequate Medicare reimbursements to hospitals and due to an astonishing l.5 million uninsured population. There always has been a relation between poverty, health care needs, health service use, and health outcomes.

The health care market is now more competitive and diverse than in the past. Rural consumers of health care are now far more sophisticated and have more choices to meet their needs than ever before. They are prepared to travel long distances to obtain treatment from specialists.

In order to revamp the declining rural health care delivery system, several researchers propose restructuring and managing finance by local resources to stabilize the system. Local health providers, planners, as well as the residents, must have information about hospital strategies, and non-hospital options for care, coordinated options (HMOs), legislative changes and availability of financing to enhance health care programs. In view of the federal budget deficits, states must assume an increased share to help resolve the rural health problems. Many political and health leaders find solutions in collaboration between federal, state and local governments. Many of them think that the elimination of urban-rural differentials in Medicare payments might help resolve the problem substantially. The new focus of health care policy is now upon cost containment. Almost all of the major changes in Illinois and the United States health care markets are the direct outcomes of a recent commitment to controlling health care costs. Federal or state government must support the rural hospital industry, medical training conforming to rural needs, the elderly poor and employee financed comprehensive health insurance.

The number of young physicians entering primary care specialties is declining. Medical education has become increasingly reliant on service income, making it difficult to train in primary care specialities. It is, however, not too much to ask for improved funding to enhance the geographic and speciality distribution of primary care physicians.

Finally, a changed community-based thinking is essential for the delivery of services together with a reassessment of the role of health care delivery institutions. Quality care in a constrained environment is a serious challenge but without it, the system eventually fails. Rural health care deserves coordinated efforts and changed approaches in the local level to reestablish a system in proper prospective. Community support, subsidization and even philanthropy are the key factors in keeping the rural health care system alive and in shape. It has also been emphasized in the literature that solutions lie in effective utilization of available financing procedures. Sound well-informed management strategies, long-term goals, and appropriate financing might turn rural health care around. Increased access to health care and its uses are beneficial, but primary health care and social service initiatives combined are necessary conditions for reducing inequities in health status.

Directories and Manuals

While selecting the articles for this volume, we have included a few directories and manuals. The information therein may not necessarily be current, but the entries should make readers aware of the fact that such resources once existed and might well be updated in the future.

We are sure there are many more problems which remain unaddressed in this volume.

Alabama Department of Public Health. *Alabama's Rural Health Care Crisis: Report to the Legislature from the Rural Health Task Force.* **Montgomery, AL: Alabama Department of Public Health, December 1989.** To reverse Alabama's inadequate health care services, the Rural Health Task Force argued for legislative and state government support for full funding to the Alabama medical agency as a top priority. An expansion of Medicaid was recommended to ensure access to vital health services for the poor and to lessen the burden of uncompensated care. Physician participation in the medical health care system has been encouraged. The recommendations of the Task Force include: increased medicaid eligibility to pregnant women and children under age eight; increasing the fee for obstetrical services to $1,200; increased Medicaid reimbursement to physicians and hospitals for outpatient care; increased Medicaid inpatient days to 18 a year and Medicaid outpatient visits to 20 per year; increased Medicaid reimbursement for hospital inpatient care to the actual costs of care. The recommended Medicaid expansion would benefit 60,000 underserved pregnant women and children. According to the Task Force, the state's $28 million contribution is an investment and not an expenditure as it would turn a return of $3 for $1 spent. This recommended Medicaid expansion may have a strong economic development component. The Task Force also recommended generating this new money by a tax or an increase in taxes on cigarettes, alcohol, hazardous wastes, the confectionary industry, and on property.

Alexander, Cheryl S., and Ann C. Klassen. "Drug Use and Illnesses Among Eighth Grade Students in Rural Schools." *Public Health Reports* **103, no. 3 (1988): 394-99.** This study examined the relationship between drug use by young adolescents and two indicators of illness, frequency of illness and duration of absence from school. Data were collected from 745 students of two rural Maryland counties in 1984. A self-administrated questionnaire was used to obtain information relating to sociodemographic characteristics, and students' use of tobacco, alcohol, and marijuana. The researchers found substantial covariation among the use of cigarettes, alcohol, and marijuana. There was a positive correlation between the use of cigarettes and absenteeism. Other drug behaviors were not found associated significantly with the increased risk of missing school.

Anderson, Joseph M., Dale W. Jorgenson, John F. Moeller, and Daniel T. Sleznick. *The National Institute on Aging Macroeconomic-Demographic Model of Health Care and Consumer Expenditures (NIH Publication No. 90-2986).* **Washington, DC: U.S. Government Printing Office (1990).** The Macroeconomic-Demographic Model (MDM) is a simulation model concerning U.S. economy and population. This publication presents the development and estimation of an econometric model of consumer expenditures as well as expenditures toward health care that have been integrated into MDM. With this information, the MDM can develop projections about expenditures for sub-groups of families in terms of socioeconomic status including rural-urban variables. The report includes a review of the literature on the alternative modeling approach, a description of the development of data, an estimation of health care expenditures of the institutionalized population and its results and discussion on the model of family formation developed on the basis of 1985 current population survey data base. This is the first presentation of a 75-year projection of the U.S. health system and economy.

American Academy of Pediatrics. Committee on Accident and Poison Prevention: Rural Injuries. *Pediatrics* **81, no. 6 (1988): 902-03.** Unintentional death rate for people living in rural areas is approximately twice that of people living in the larger cities of America (75 per 100,000 population vs 37 per 100,000). Rural areas are distant from skilled medical care, and prehospital treatment is virtually absent. Existing data sources do not specify whether this higher mortality rate in rural areas is due to severity of injury, inadequacy of prehospital intervention or both. Farming is the second most dangerous occupation as it involves various types of machinery, and children and adolescents constitute a sizable part of this workforce. The author of this article recommends prevention of this unintentional injury source using various methods such as education, public awareness, and developing regional trauma centers.

American Academy of Pediatrics. Committee on Community Health Services: Health Care for Children of Migrant Families. *Pediatrics* **84, no. 4 (1989): 739-40.** Migrant and seasonal/farm workers make up a significant portion of the American labor force. Their contribution to the American agricultural economy is also quite significant but most of these workers are below poverty level. Because of their complicated residency status, they are often excluded from health insurance by their employers and also by Medicaid. As a result, migrant families often find that comprehensive child care is not available to them. The author of this article advocates quality, comprehensive health care for all children of migrant workers. Citizenship, financial resources, or language differences should not deter access to health care.

American Hospital Association. *Rural Hospital Closure: Management and Community Implications.* **Chicago, IL: American Hospital Association, 1989.** This study, first in the series on the topic, provides an understanding of why rural hospitals close and what measures can be taken to prevent the closures. W. K. Kellogg Foundation supported this study with a grant primarily to help hospital trustees, management staff, and members of rural communities in assessing the condition of their local hospitals and to determine courses of action.

American Hospital Association. *Health Care Systems: Case Studies.* **Chicago, IL: American Hospital Association, 1988.** This work has compiled case studies on five organizations representing the diversity that exists among health care systems. It provides two Catholic church-related systems (Daughters of Charity National Health System and SSM Health Care System); one other church-related system (Baptist Medical Centers); one investor-owned system (Health Trust, Inc.); and one alliance, American Health Care Systems. There are, however, 303 systems with a total of 2,567 hospitals. It was predicted in an earlier study that 60% of all hospitals will be in such a system. It provides an in-depth look at each of the five systems. These case studies are indicative of the fact that all these systems are changing from being multi-hospital corporate body to truly integrated systems. Many of these systems have redefined their mission and restructured their organization to adjust with the changed situations.

Amundson, Bruce A., and Robert D. Hughes. *Are Dollars Really the Issue for the Survival of Rural Health Services?* **Rural Health Working Paper Series, Vol. 1, No. 3. Seattle, WA: WAMI Rural Health Research Center, Department of Family Medicine, Research Section, University of Washington, Seattle, WA: 1989.** In view of the recent trend of closing health care services, especially hospitals, in the rural areas, this article examines the gap between availability of dollars within the communities and the actual dollars necessary to continue primary care services. The study concludes that inadequate local dollars may not be the only problem facing rural communities but losing the federal and state dollars as well as dollars available outside the communities appear to be the major problem.

Bacchi, Donna, Dawn Phillips, Woodie Kessel, and David Smith. "Federal Programs Affecting Rural Perinatal Health Care." *The Journal of Rural Health* **5, no. 4 (1989): 413-424.** The authors of this article describe the federal programs that are directed to rural perinatal care. Since 1912, with the establishment of the United States Children's Bureau, the federal government has initiated various programs for the welfare of child and mother. The primary areas of federal concerns now are: assuring access to perinatal health services, financing of care, and improving the distribution of manpower and facilities. These activities are administered by the Health Resources and Services Administration, the Indian Health Service, the National Institute of Health, and the Health Care and Financing Administration. Many of the direct services are supported by the Maternal and Child Health Block Grant program through the funding of state and local health departments, and the Community and Migrant Health Center Program which supported clinics in health manpower shortage areas. The authors touch on current major federal programs related to perinatal care. Despite various programs instituted by the federal government, there are still significant geographical and financial barriers to access quality perinatal health care in the rural areas. In view of this, the authors recommend a critical assessment of the programs that exist now.

Barnett, Paul G., and John E. Midtling. "Public Policy and the Supply of Primary Care Physicians." *Journal of the American Medical Association* **262, no. 20 (1989): 2864-68.** The number of physicians, since 1963, has more than doubled. However, the ratio of office-based primary care physicians to the national population has decreased. The trend has been especially visible in rural communities and poorer urban areas. The numbers of young physicians entering primary care specialties is declining. Medical education has become increasingly reliant on service income, making it difficult to fund training in primary care specialties. Since the grants for graduate programs in primary care specialties remained the same considering inflation, elimination of these programs is under consideration. The study recommends enhanced funding to improve the geographic and specialty distribution of primary care physicians.

Bauer, Jeffrey C. "Trends in Rural Health Care Delivery: Progressive Nonhospital Alternatives." In *Financing Rural Health Care,* edited by LaVonne Straub and Norman Walzer, 83-97. New York: Praeger, 1988. This article denies the necessity of traditional hospitals in the rural communities. In the context of changed time and trends, a conventional, stereotyped hospital cannot fulfill the rural needs. The author conceives of nonhospital alternatives to meet challenges of rural health care needs. He suggests a menu of nonhospital alternatives such as a much smaller hospital building located on the highway, emergency facility on an equipped truck, using the doctor's office for surgical needs, and use of midlevel health professions. This new delivery mechanism, initially, may threaten residents of the rural communities, but eventually, they will recognize that nonhospital alternatives are timely and more appropriate, considering the trend in hospital closures mainly due to economic factors. The discussion of this new delivery system can be worked out within an opportunity cost framework. The author emphasizes that the current level of investment in hospitals could turn out superior services to rural residents if used for other alternative delivery systems. The shift from a traditional hospital to a smaller facility using updated technology need not be threatening to the rural communities or hospitals; instead, it might open up opportunities to affordable high quality services in low density areas.

Beck, Eugene C., Donald W. Dunn, Michael Funk, Donald M. Stewart, and Robert T. Van Hook. "HCMR Interview: What's Ahead for Rural Health Care?" *Health Care Management Review* 14, no. 4 (1989): 85-95. (Interview by Barbara P. McCool). Rural health care delivery has gained national importance as a serious issue. It has been introduced in Congress as a legislative package to consider elimination of the urban-rural differential on Medicare reimbursement. Rural health care administrators are encouraged by this new development but at the same time are worried that this initiative may be too late to save many rural hospitals. This interview generated discussion on the future of rural health care delivery among the five health leaders.

Blondell, Richard D., Ida J. Smith, Mike E. Byrne, and Wayne Higgins. "Rural Health, Family Practice, and Area Health Education Centers: A National Study." *Family Medicine* 21, no. 3 (1989): 183-86. This study was conducted to examine the nature and extent of interaction of the national Area Health Education Center (AHEC) program and family practice speciality. Both of these efforts were initiated around 1970 to help meet health care needs of the medically underserved population by rural rotations of primary care residents. Questionnaires were mailed to all AHEC projects and all non-military family practice residency programs. The study found only 64% AHEC projects interact with family practice residencies and only 9% of the programs recommend that rural rotations could be enhanced further by offering family practice residents unutilized National AHEC program resources.

Boeder, Syl. "Issues Facing Rural Health Care Finance." In *Financing Rural Health Care,* edited by LaVonne Straub and Norman Walzer, 24-41. New York: Praeger, 1988. This study examines five major issues that affect rural health care financing: health care utilization trends and patterns; changes in payer mix; changed payment systems; community support, subsidization and philanthropy. The patterns of utilization of rural health care facilities have changed primarily due to changed demographics and changed reimbursement policies. Rural health care providers are now required to adapt to these changes. They must also recognize the fact that the health care market is now more competitive and diverse than in the past. Rural consumers of health care are far more sophisticated and have more choices to meet their needs than before. They are now prepared to travel long distances to obtain treatment from specialists. The impact of the Medicare Prospective Payment System (PPS) of reimbursement on rural hospitals is reviewed from different angles. Community support by subsidization and philanthropy is the key factor in keeping the rural hospital alive and healthy and they reflect community involvement too.

Brown, Lawrence D. *Health Policy in the United States: Issues and Options.* **New York: Ford Foundation, September 1988.** This book reviews U.S. health-care policy over the past forty years and discusses ways to make health care more accessible and affordable for larger numbers of people in the United States. Broadly, the author explains the U.S. health care system with four analytical categories linking to a chronological framework. Government did (1) influence the 'supply' of health care services and resources (1945-); (2) influence 'demand' for health care (1965-); (3) alter the 'organization' of the health-care system by building new organizations to serve special subgroups in the population (1970-); and (4) influence the behavior of providers, especially relating to price, and quality of services, size, location, and equipment of facilities. The author concludes that his intent is to offer some major options for benefit of policy makers and health leaders.

Burdick, Quentin N. "Rural Health Care: Some Accomplishments, Much to be Done." *Academic Medicine* **64, no. 2 (1989): 80.** The author of this article offers a national perspective on rural health care. National health policy, for a long period of time, had been formulated primarily for urban needs and then applied to rural areas. Rural America has, largely, been ignored. In the 100th Congress, rural health care needs have been focused and debated. The author presents an overview of the legislative initiatives relating to rural health care in the 101st Congress. He discusses the amendments made by the Finance Committee to Medicare reconciliation and the Catastrophic Health Care Bill. The author also suggests paying a bonus to physicians who treat Medicare patients in rural underserved areas to encourage physicians to maintain rural practice. The author attempts to reassess instituting positive measures to reconcile the discrepancies between urban and rural health care delivery systems.

Bureau of Social Science Research. *Directory of Rural Health Care Programs 1979.* **Washington, DC: U.S. Department of Health, Education, and Welfare, 1980.** This directory is based on a survey to identify and describe innovative organizations providing primary health care services in rural America. It includes organizations located in rural areas or servicing rural populations, and offering some primary care services, such as internal medicine, family and general practice, pediatrics, or obstetrics/gynecology. Programs offering only mental health, dental or other specialized medical services are not included. The directory is further limited to organizations—hospitals, clinics, corporations, projects, programs, centers and the like. It is organized alphabetically by state and, within state, by city or place. Information for each listing was supplied by the program staff responding to a mail questionnaire, and by phone. Respondents include DHEW grantees completing the Bureau of Community Health Services Reporting Requirements (BCRR). The following information is included for each listing: Program name, address, and phone; county in which the program is located; program contact person; year of service first offered; type of program ownership (public, private, not-for-profit, or private nonprofit); presence or absence of community board; total number of full-time equivalent staff; total number of full-time physicians on staff; service area population, estimated unduplicated count of the number of persons using the program's services at least once during the reporting year; type of fee structure; sources of current or past financial or personnel support; and total number of program delivery sites, and name, address, and phone for principal and up to three additional sites.

Christianson, Jon B. "Alternative Delivery Systems in Rural Areas." *Health Services Research* **23, no. 6 (1989): 849-89.** Despite major impediments, primary care case-management programs, and alternative delivery systems, such as HMOs, and PPOs, have a long history in rural America. But, little is known about the impact of these systems on rural communities and on medical care delivery systems. Existing studies, mostly qualitative in nature, focus on rural HMOs and identify factors that facilitate or retard HMO development. The studies, however, do raise a variety of issues concerning the effects of rural alternative delivery systems on the cost and quality of care, different mechanisms used to contain costs, and how they affect the decisions of rural physicians to locate themselves in rural areas and so on. This paper summarizes existing research on alternative rural health care delivery system and suggests an agenda for future research aimed at policy-relevant results.

Christianson, Jon B., and Maureen Shadle. "HMOs in Rural Areas: Pros, Cons, and Financial Realities." In *Financing Rural Health Care,* **edited by LaVonne Straub and Norman Walzer, 149-173. New York: Praeger, 1988.** The authors of this article present a discussion on the issues concerning the development of HMOs in rural areas, and the pros and cons of its alternative organizational approaches to the delivery of care in the context of rural community. Finally, the authors touch on strategies that rural HMOs have followed to achieve their enrollment growth and improve their financial viability. The topics covered are marketing, administration, financial risk sharing and utilization. The urban-based as well as rural-based organizations are reviewed and compared. The authors conclude that HMOs must be considered for each community, based on appropriate and specific needs.

Connell, C. M., and Crawford, C. O. "How People Obtain Their Health Information—A Survey in Two Pennsylvania Counties." *Public Health Reports* **103, no. 2 (1988): 189-195.** This study is the outcome of a mail survey in two Pennsylvania counties, one rural and one urban, using a sample of 182 respondents. The purpose of the study was to determine the sources of health information and patterns of responses between the middle-aged and older rural-urban residents. The majority of rural and urban respondents reported printed materials to be the most frequently used source of health information. Television and informal networks have been found to be second and third in order of frequency with little difference between rural and urban respondents. The study suggests the use of media mix in disseminating health information for all.

Cordes, Sam M. "The Changing Rural Environment and the Relationship Between Health Services and Rural Development." *Health Services Research* **23, no. 6 (1989): 757-84.** The main focus of this paper is on the relationship between the larger rural environment and the delivery of the health care services in rural areas. The paper is organized in four parts: (1) definitions of "rural" and its metro- nonmetro typology; (2) basic characteristics of rural America; (3) framework of rural development and the role of health services; (4) the salient features of today's rural America in relation to the challenge and dynamics confronted by the researchers and policy makers. The study concludes with a suggestion that policy for today's rural America must focus on two key ingredients: an overall diversity that exists within rural America and the instability and vulnerability at the local level. Relating the first ingredient to health services, the author sees an obvious need for different delivery mechanisms. The instability and vulnerability, however, have implications for health policy research. The problems of rural America now are quite different from the past and while formulating policy to solve rural problems, the policy makers and researchers must emphasize these factors.

Cordes, Sam. M. "The Rural Health Care Environment: A Synthesis and Relevant Implications." *Financing Rural Health Care,* **edited by LaVonne Straub and Norman Walzer, 191-207. New York: Praeger, 1988.** The author integrates two main themes of rural health care financing—the rural environment and the health care environment. While dealing with these two thematic concepts, he separates the rural health care environment into two components: rural and health care; and establishes a linkage. The main characteristic of the rural environment is its diversity which is perhaps much more intense and extensive than that which exists in the urban environment. Rural areas are not homogeneous in population density, income levels, and attitudes. In view of this diversity, a pluralistic approach rather than a singular approach to rural health issues may be more appropriate. In order to resolve the rural health care problem, different solutions must be approached for different areas.

Cordes, Sam, and Tom Bruce. *Rural Health Policy.* **Paper presented at the Rural Development Policy Options Workshops, Minneapolis, MN: September 19-21, 1988.** Rural health concerns of today are focused mainly on accessibility to medical and nursing services. The authors of this paper emphasize the needs, issues, and policy options available to the federal government in instituting these basic services. They provide a history of the federal rural health policy since the time of President Lincoln and also illustrate the current rural health status. Among the critical health care issues the authors raise include: the financial viability of hospitals; the training, recruitment and retention of primary care physicians and nurses; development and enhancement of linkages and networking among providers and the effective use of physician assistants and nurse practitioners; impact of medical liability and malpractice; occupational health hazards; the adequacy of emergency medical services; and barriers to access to medical care due to poverty, lack of insurance, and transportation. The authors also emphasize the justification for Federal initiatives due to market imperfections preventing uniform delivery of quality services. The benefits of health care are not distributed equitably to rural areas. An improved rural medical system would lead to greater productivity and competitiveness. They recommend an increase in the federal share of health care to produce spillover benefits; a larger share of federal health dollars be targeted to rural areas; and assistance provided to help restructure the rural health care systems.

Cornell, Melissa (Ed.). *Rural Health Care in Illinois.* **(Research Memorandum No. 78). Springfield, IL: Illinois Commission on Intergovernmental Cooperation, June 1989.** The issue of rural hospital closures has attracted the attention of the public as well as the state policy makers since 1983. Of the total 63 rural hospitals in Illinois, six of them have closed since then. Factors contributing to the closings include the absence of sophisticated technologies in rural hospitals, physicians trained in urban settings accustomed to using these technologies, changes and erosion of Medicare and Medicaid, and failure to deal with indigent care. This publication covers and analyzes the major issues and, in view of the federal budget deficits, suggests states should assume an increased share to help resolve the rural health care problems.

Coward, Raymond T., and Stephen J. Cutler. "Informal and Formal Health Care Systems for the Rural Elderly." *Health Services Research* **23, no. 6 (1989): 785-806.** The increasing numbers of older persons in the United States and their disproportionate use of health care services, have already presented the nation's health care system some complicated issues. With approximately one out of every four elders living in rural areas, totalling 6.5 million according to the 1980 census, the rural health care system has to be modified to deal with this overburdened and complex situation. The training of health care providers has to include geriatric medicine in a major way. Health care resources are needed to provide and manage long-term care and chronic illnesses. However, evidence indicates that the range of services for elders living in small towns and rural communities is extremely limited and alternatives are fewer. The authors of this paper discuss issues relating to these service deficiencies and the causes. They review the topic of informal helping networks, and the formal helping network based on community and residential care. The study findings suggest further research on rural health services oriented to elderly populations specifically to better understand the location and distribution of the elderly; the life conditions affecting their health; their health status; development of service delivery system and its impact; and the methodological and theoretical difficulties of studying the health and health care of the rural elderly.

Crandall, Lee A., Jeffrey W. Dwyer, and R. Paul Duncan. "Recruitment and Retention of Rural Physicians: Issues for the 1990's." *The Journal of Rural Health* **6, no. 1 (1990): 19-38.** In response to the national physician shortage, there has a been a number of structural and economic changes in the profession of medicine and in the rural medical care delivery system since about 1970. The authors of this paper outline these changes, describe a series of basic conceptual models relating to recruitment and retention efforts, and address current issues in the application of these models. The study's recommendations call for improved recruitment and retention of rural physicians by introducing state-subsidized and community sponsored scholarships for rural youths.

Damasauskas, Ron. "Health Care Environment: Access, Payment and the Rural Hospital." In *Financing Rural Health Care,* **edited by LaVonne Straub and Norman Walzer, 43-63. New York: Praeger, 1988.** This article provides an analysis of the environment in which rural health care facilities deliver their services. In order to understand the critical issues, a profile of rural hospitals, highlighting the new cost containment aspects, has been developed. Rural hospitals play an important role in the rural economy and any detrimental effect on rural hospitals will jeopardize seriously the rural economy. In order to maintain steady access to health care in rural communities, several issues have to be addressed. The basic ones are related to inadequate and inequitable federal payments to hospitals for the services provided to Medicare beneficiaries. The issue concerning medical malpractice premiums for rural physicians and hospitals is also dislocating services. The rural hospital community throughout the country is aware of these problems. Some of these problems have low-cost solutions which can be accomplished without affecting any other segment of the health care system. The author emphasizes the need for advocacy. The state and federal legislators must be responsive to these needs of the rural health care community.

DeFriese, Gordon H., and Thomas C. Ricketts. "Primary Health Care in Rural Areas: An Agenda for Research." *Health Services Research* **23, no 6 (1989): 931-74.** Primary health care is an important component in American health planning, health care organizing, and health care financing, despite the increasing specializations in medical practice and physician payment for speciality services. The author of this article looks at the concept of primary care and presents an overview of its definitional meanings, and its unclear roles and scopes. However, in this article, primary care has been considered as the basic health care services required to deal with personal illness, chronic disease management or health maintenance. Primary care also includes emergency health care, preventive health services, immunizations, as well as hospital care excluding surgery and the use of high technology. The author emphasizes that primary care services also may be provided by a variety of personnel from nursing, dentistry, optometry, pharmacy, and social work. It may not be exclusively provided by the physicians. The practical consequences of primary care in communities are not well understood and, as such, the author suggests research priorities for the development of community-responsive primary health care models.

DeLeon, Patrick H., Mary Wakefield, Amy J. Schultz, Jane Williams, and Gary R. VandenBos. "Rural America: Unique Opportunities for Health Care Delivery and Health Services Research." *American Psychologist* **44, no. 10 (1989): 1298-1306.** Quality of life in rural America is declining. This general decline is affecting the quality of health care and mental health service delivery. Rural America accommodates 24% of the U.S. population which includes older persons as well as people with inadequate education and income. These areas are also disadvantaged by Medicare and private insurance which discriminate in their reimbursement policies, and because of shortage of health care personnel. In order to improve the situation, the House and the Congress both instituted various efforts. This paper provides an overview of those efforts and proposes that this may be an opportunity for the psychologists to accomplish their professional roles in dealing with the rural crisis in health care.

Dittelbach, Mark S. "Rural Areas Still Need Physicians." *Journal of the American Medical Association* **260, no. 21 (1988): 3214-15.** The author advocates for greater federal incentives to young physicians to be motivated to practice in the rural areas. To many fresh medical graduates, trained in urban medicine, small town practice seems to be idyllic. With many specialties, young physicians may not get enough opportunities to practice in the rural communities. Most of the government programs should attempt to make medical practice in a rural area attractive to new physicians.

Doeksen, Gerald A., Ron A. Loewen, and David A. Strawn. "A Rural Hospital's Impact on a Community's Economic Health." *The Journal of Rural Health* **6, no. 1 (1990): 53-64.** The study's purpose was to determine the importance of a hospital to the economic health of a community. The authors applied a community simulation model to a rural community in Oklahoma to show how the hospital closure would impact its economy. The authors conclude that rural hospitals dominate the economic scene of the community and closures of these hospitals would affect the community seriously.

Elam, Elizabeth, and Robert Ranney. *Rural Health Crisis.* **Washington, DC: U.S. Public Health Service, 1985.** The purpose of this study was to determine the effect of the farm crisis on rural primary health care services. The authors of this report suggests that the farm crisis is very severe and has resulted in a serious rural crisis. They conclude that the incidence of farm failure in its sample area, Iowa, Nebraska, Missouri, and Kansas, had a ripple effect on all other aspects of the economy. In terms of health care, the authors found an increased percentage of late presentations of health problems, increased stress-related diagnosis, significant loss of provider income, and decreased utilization of non-acute health care. These behaviors are attributed to a decreased ability of rural residents to pay for health care. The study group recommends that: (1) a public health service task force should be established to assure that the residents of economically depressed areas have access to health care; (2) a study should be conducted to identify those areas most severely affected by the rural crises; (3) a primary care provider-reporting network should also be established to track the measures to alleviate the problems of rural health care; and (4) a regional initiative should be instituted to revitalize the rural economy.

Eldridge, Frances. "Fundraising: A 'Catch 22' Dilemma...Establishing and Funding Small Rural Hospices." *The American Journal of Hospice Care* **5, no. 6 (1988): 19-21.** The author of this article presents different aspects of fundraising in the rural areas for hospice care. The two common concerns of the Midwest hospice care administrators are: (1) hospice care is not entitled to the Medicare benefit until it meets HCFA (Health Care Financing Administration) requirements and criteria; and (2) hospice care programs face capital investment difficulties due to lack of recognition by local business communities, absence of efforts to educate the community in "quality death" concepts and apathetic attitudes of doctors to support hospice. The article suggests numerous opportunities for funding rural hospice care programs which include marketing efforts with third party carriers, public funds, United Way funding and most of all funding support by community-based groups.

Estep, Rhoda, Joseph A. Novack, and Deborah G. Helsel. "Impaired Small Town Physicians and Their Spouses." *Journal of Drug Issues* **19, no. 3 (1989): 351-67.** This exploratory study, based on a self-administered questionnaire by 107 wives of physicians in a rural central California county, examines dimensions of physicians' work and family life associated with excessive alcohol use. The factors that are predictive of physicians' alcohol impairment include poor relationships with in-laws, extra-marital affairs, the intrusion of profession into family life and excessive drinking by spouses. The paper recommends further studies with larger samples to confirm these findings.

Farley, Dean F. *Sole Community Hospitals: Are They Different?* **(DHHS Publication No. (PHS) 85-3348). Hospital Studies Program Research Note 5, National Center for Health Services Research and Health Care Technology Assessment. Rockville, MD: Public Health Service, 1985.** A Sole Community Hospital (SCH), in principle, constitutes the primary and often the only source of inpatient services for the residents of a rural area. Upon analysis of these hospitals, this study provides information and an examination of the extent to which they appear to warrant special consideration for Medicare reimbursement. Patterns of sole community hospitals and their potential size of the programs are examined also. Recommending further research, the author concludes that future regulations of these hospitals may involve political judgment, not because of their isolation but because of their size and location.

Fickenscher, Kevin M. *Proposals to Enhance the Viability of Rural Hospitals.* **Washington, DC: U.S. Senate Subcommittee on Health, 1986.** This report documents the testimony of Dr. Kevin Fickenscher before the Subcommittee on Health of the U.S. Senate Finance Committee. Dr. Fickenscher is the President-elect of the National Rural Health Care Association, a nonprofit organization representing a diverse constituency. According to Dr. Fickenscher, rural hospitals are a vital institution in many rural communities. They provide jobs, help recruit and retain physicians, and provide services to the elderly and poor who lack transportation to health care outside the community. Dr. Fickenscher asserts that the Medicare Prospective Payment System (PPS) implemented by the federal government has contributed to the financial instability of many rural hospitals. Other issues that are affecting rural hospitals include the corporatization of health care and the declining utilization of in-patient service. Dr. Fickenscher's testimony provides nine points of criticisms and suggestions regarding the relationship between the federal government and rural hospitals. First, he criticizes the two-tiered system of payments under PPS.

According to the report, federal reimbursement rates for rural institutions are generally 50% less than those paid to urban hospitals. Second, he discusses capital costs or rural hospitals, and states that problems resulting from federal policy on this issue will affect rural hospitals more directly because of their greater dependence on Medicare patients. He also maintains that rural hospitals must retain access to tax-exempt bonds as a vital source for renovation of older institutions. Third, he discusses the impact of indigent care. Because of the high rate of Medicaid and Medicare patients which rural institutions typically serve, rural hospitals have fewer opportunities to shift costs. Fourth, he recommends that the Department of Health and Human Services should be required to review its regulatory policies to determine their impact on nonmetropolitan hospitals with 100 beds or less. Fifth, he recommends more equitable reimbursements for rural hospitals. Sixth, he recommends that more funds be invested in research concerning issues in rural health care. Seventh, he suggests that an Office of Rural Health Policy should be established with the Health Care Financing Administration. Eighth, Dr. Fickenscher suggests that federal payments to rural hospitals be made in a more timely manner, since rural institutions are dependent upon Medicare, are smaller, and they have unique cash flow problems not typical of urban institutions. Finally, the author recommends the establishment of a new grant authority to help rural hospitals to adapt to the changing health care market.

Fickenscher, Kevin M. "Maximizing Resources in a Restrained Environment." *Financing Rural Health Care,* **edited by LaVonne Straub and Norman Walzer, 129-147. New York: Praeger, 1988.** The author of this article examines some of the issues and assumptions concerning rural health care. First, health care must be integrated with the community. Second, health care is a major economic activity with a dominant effect on the rural community viability. Third, it is essential for communities to realize that services provided in rural communities must be primary-care-based with a community focus. And, finally, a changed thinking is essential for new approaches toward the delivery of services, together with a reassessment of the role of health care delivery institutions and community involvement in rural health care delivery. Since federal reimbursement policy affected the rural communities disproportionately, rural physicians will find themselves under tremendous pressure to release patients from a hospital before they are ready to do so. Quality health care in a constrained environment is a serious challenge and without coordinated efforts and changed approaches in the local level, it is difficult to accomplish it.

Folder, James C. "Strategic Plans Provide Lasting Solutions to Rural Crisis." *Healthcare Financial Management* **44, no. 4 (1990): 25-30.** More than half of the 81 hospitals that closed in the United States in 1988 were located in rural areas. The future of the remaining rural hospitals is also quite bleak. The author cites a 1989 telephone poll of rural hospital chief executive officers (CEOs), 44% of whom indicated that hospitals with fewer than 100 beds are in severe financial constraints. Hospital administrators have instituted several cost control measures only to achieve some short-term gains. But for a long-term solution, some rural hospitals are seeking strategic planning. The major components of strategic planning include: financial evaluation of service components, patient origin and market area, potential system limits, focusing management priorities, creative approaches to problems, and community involvement. However, the success of strategic planning depends entirely on understanding the planning components and process prepared on the basis of critical data gathering relating to cost, market share, and profitability and monitoring results. The common strategies, as suggested by the author, for solving rural hospital financial crises are: staffing adjustment, physician recruiting and retaining, fund raising, pricing, marketing to retain patients, diversification and mergers or reorganizations. The strategic planning efforts should be directed to management with problem solving approaches aimed at offsetting declines in patients and revenue.

Frey, John J. "Affirming the Alliance: Family Physicians and Rural Health Care." [Editorial]. *Family Medicine* **21, no. 3 (1989): 179-180.** This is an editorial comment on three articles published in the above cited issue of the journal on the educational needs and opportunities of rural practicing physicians. Family physicians always have been rural community oriented. Each year, since family practice has been recognized as a speciality, a considerable number of residency graduates have located themselves in rural areas. Introduction of family medicine into the medical schools was in response to small towns and political incentives. Rural legislators recognized the need for medical care as an important factor to maintain their constituencies. Currently, the population of family physicians is declining rapidly. The major explanation for this decline perhaps accounts for differential payment systems between rural and urban physicians, closing of small town local hospitals, and malpractice crises in obstetric services. All these, in combination with personal and economic pressures, adversely affected the primary care physicians and recent graduates in their choice of practice in rural locations.

Fuchs, Janet A. "Planning for Community Health Promotion: A Rural Example." *Health Values* **12, no. 6 (1988): 3-8.** In response to the need for community organization and planning for health education, the Health Education Division of the Center for Disease Control developed an intervention effort through which health promotion programs could be offered to local communities. The program is known as PATCH (Planned Approach to Community Health). It is a collaborative effort among federal, state and local health agencies. This article describes efforts of one of the rural communities in the state of Ohio relating to implementation of a PATCH project.

Gavin, Kathleen, and Darryl Leong. "Maternity Care as an Essential Public Service: A Proposed Role for State Government." *The Journal of Rural Health* **5, no. 4 (1989): 404-411.** The authors provide insights to the current problems of maternity care in the rural areas in the state of Vermont. Current maternity care systems in rural Vermont have been characterized as a loose network of providers and are dependent, in a major way, on obstetric providers and hospital services. As a result, fluctuation in physician numbers due to income, cost of malpractice and personal considerations, creates a service gap, placing the rural maternity care in jeopardy. Rural areas are especially vulnerable because they lack alternatives that are available in urban areas. The authors consider that maternity care should be provided consistently and in a reliable manner to enable the pregnant women to take advantage of these services. This situation reestablishes the argument that maternity care is fundamentally essential to the public health of any community. The authors propose that the services of certified nurse midwives may be used in providing routine maternity care and services of the specialists may be used in high-risk cases only. This proposed arrangement is expected to provide reliable and consistent maternity care services. The study concludes with a suggestion to develop a model based on this proposed maternity care namely "System of Assured Access" which may be tested and evaluated in response to national goals to ensure locally-based comprehensive maternity care services in all communities.

Gibbens, Brad P., and Richard L. Ludtke. *Rural Hospital Conversion: State Action.* **Fargo, ND: The University of North Dakota Rural Health Research Center, January 1990.** The usual strategies for restructuring rural hospitals to solve the rural hospital crisis during the 1980s were diversification, alliances, and multi-hospital arrangements. The authors of this paper introduce a new concept of conversion of rural hospital by changing the hospitals' mission, function and operation. The issue is addressed through an analysis of rural environment composed of economic, demographic, and financing factors. In the process of presenting the new idea, the authors present a review of accepted restructuring techniques and define the concept of hospital conversion. The main focus of this study is to analyze the conversion options for the small and rural hospitals. The authors present a working definition of hospital conversion as "to create a process to enable rural hospitals to identify options for significant change in philosophy of mission, function, and mode of delivery." The states involved with hospital conversion projects accepted the definition in their initiatives to foster change in the structuring of some of the rural hospitals. The involved states are Montana, Florida, Wyoming, California, New York, North Carolina, Kansas, Washington, Colorado, and Nevada. Various conversion plans of each of these states have been presented in this paper with each having the goal of maintaining some level of care in rural communities and assuring access to that care, but they differ in the details of their approach. The authors note that federal legislation targets $10,000,000 for authorized grants relating to hospital conversion.

Greenman, Barbara. *Survival Strategies for Rural Hospitals.* **Madison, WI: Institute for Health Planning, 1982.** This report was published by the Institute for Health Planning, a nonprofit organization, to address the financial crisis faced by many rural hospitals in the United States. According to the report, most hospitals in the United States are facing complex problems of capital development, reimbursement, and modernization. However, this report focuses on the particular problems of hospitals outside standard metropolitan statistical areas. Fifty percent of the nation's hospitals are located in rural areas. However, because they are smaller in size, they comprise only 25% of the total number of hospital beds. The size of rural hospitals often prevents them from developing the economies of scale which urban hospitals enjoy. Among other factors which make the survival of rural hospitals precarious are higher poverty rates, a greater percentage of elderly residents than in urban centers, and shortages of technical staff. Suggested are seven strategies that institutions may utilize for their survival. Included in the recommendations are: In-house Institutional Planning, Marketing, Diversifying, Corporate Restructuring, Innovative Recruitment and Staffing Techniques, Informal Multi-hospital Arrangements, and Formal Multi-hospital Arrangements. The author discusses briefly each recommendation and provides general information which health systems planners could then adapt to their particular circumstances.

Grim, Sarah A. "Swing Beds: A Strategy in Rural Hospital's Fight to Survive." *Healthcare Financial Management* **44, no. 4 (1990): 32-37.** The swing bed program of the federal government allows some rural hospitals to provide a mix of acute care, skilled care and intermediate care without changing their licenses. The participating hospitals can provide both acute and long-term care services without transferring the patient to another area of the hospital. The program began in 1980 and was limited to rural hospitals with less than 50 beds, and subsequently, extended to hospitals with fewer than 100 beds in 1987, making opportunities for a larger number of rural hospitals. But, this expanded program rule was finally announced in 1989 and as a result many hospitals could not use this program benefit. The expanded program requires many conditions be observed by the hospitals. For example, there is a limit on the number of swing-bed days provided and paid for by Medicare. There are many advantages and some disadvantages which the author describes. The author presents a discussion on the origin of this program, its rules for larger hospitals, the accounting procedures, staffing and physician payment with an illustration of a rural hospital in Greenville, Ohio, where this program was instituted with considerable success.

Hardy, Debra M., and Marianne Lile. "Rural Health Clinics: Up for Ownership." *Journal of Pediatric Health Care* **2, no. 3 (1988): 153-54.** In the rural areas, nurse practitioners may have the option to own their own clinic and entitlement for Medicare reimbursement. The Health Care Financing Administration made a prediction in 1987 that by 1990 there would be 2000 certified clinics operated by nurse practitioners in medically underserved areas. In 1988, however, there were only 426 such certified clinics. Recent surveys indicate that even the pediatric nurse practitioners who are the integral part of rural health care setting are not taking advantage of these opportunities. The authors present the pros and cons of this issue relating to nurse practitioners' owning clinics in the rural areas and offer down-to-earth guidelines to qualify for Medicare and Medicaid reimbursement.

Hart, Gary L., Roger A. Rosenblatt, and Bruce A. Anderson. *Rural Hospital Utilization: Who Stays and Who Goes?* **Rural Health Working Papers Series, Vol. 1, No. 2. Seattle, WA: WAMI Rural Health Research Center, Department of Family Medicine, Research Section, University of Washington, 1989.** This study is a part of a four-year research effort of the Rural Hospital Project (RHP) funded by W.K. Vellos Foundation. It focuses on the roles and functions of rural hospitals in the Pacific Northwest and Alaska. Factors are explained relating to community perception of rural hospitals that affect utilization in relationship with the sociodemographic structure of the community, the perceived availability of services in the local hospitals, and the supply of physicians and other health care providers both in the local communities and in neighboring towns. The survey was conducted during December 1985 through February 1986, using the household and communities which were socioeconomically diverse. Service areas vary in population size, so do hospital market shares. Families whose physicians reside in the rural areas and the less affluent families are likely to use the services of their local hospitals. Respondents, in general, demonstrated accurate understanding of the services of their local hospitals. As regards satisfaction, the older residents with medical insurance had higher levels of satisfaction than did their younger and uninsured counterparts. The young and the affluent were lowest in the numbers of those using the local services. The authors suggest recruiting an adequate number and appropriate mix of physicians and increasing the proportion of insured people.

Hart, Gary L., Roger A. Rosenblatt, and Bruce A. Amundson. *Is There a Role for the Small Rural Hospital?* **Rural Health Working Paper Series, Vol. 1, No. 1. Seattle, WA: WAMI Rural Health Research Center, Department of Family Medicine Research Section, University of Washington, 1989.** Using secondary data sources, this paper examines and compares the structure, role, and content of rural hospitals in terms of needs of the population they serve with the non-rural hospitals. Rural hospitals differ from other hospitals with smaller number of patients, lower occupation rates, shorter lengths of stay, and disproportionately high Medicare patients. About half of the smallest rural hospitals with fewer than 25 beds are dominated by the incorporation of a nursing home component within the hospitals. Besides offering the basic services, the rural hospitals also provide common emergency, obstetrical, surgical and long term care together with home care programs. Most of these services provided are of low complexity. Rural hospitals are relatively inexpensive, representing only 6 percent of total expenditures for hospital care. Considering the important role of vital health care provision in the rural area, and modest cost, the authors suggest federal policy readjustment to support and stabilize the rural hospitals.

Haynes, Kevin., and Nathaniel Givner. "The Effects of Area Health Education Centers on Primary Care Physician-to-Population Ratios from 1975 to 1985." *Journal of Rural Health* **6, no. 1 (1990): 9-18.** The authors explore the change in trend of primary-care-physicians-to population ratio from 1975 to 1985 in counties served by an Area Health Education Center (AHEC) and contrasts those counties with ones not served. The data source for the study was the Area Resource File (ARF). It concludes that regardless of AHEC status, degree of urbanization increased the ratios of PC physician to population both in 1975 and 1985.

Health Resources and Services Administration. *Rural Hospitals Strategies for Diversification.* **Washington, DC: U.S. Department of Health and Human Services, 1986.** According to this report, 50% of the hospitals in the United States are small rural institutions of 100 beds or less. The financial stability of many such institutions is in jeopardy. The rural hospital is being threatened by a number of factors, including the Medicare Prospective Payment System (PPS), declining occupancy rates, undercapitalization, competition from urban areas, and increased utilization of alternative delivery systems. Under such conditions, rural hospitals must alter their role in the community in order to survive. This report offers several alternatives for the diversification of rural hospitals. The report summarizes the experience of the Western Oregon Health Systems Agency, the Health Policy Corporation of Iowa, the Utah Network of Rural Health Programs, and the Washington, Alaska, Montana, Idaho Rural Health Project. Each of these organizations has utilized different planning strategies to cope with financial instability, including mergers, sharing of services, long-term care, and others. The report also includes the experiences of other networks that use new patterns of organization such as sharing arrangements, alliances, joint ventures, and cooperative arrangements. Finally, there is a discussion of the strategy of expanding services to enter new health care markets such as continuing care and comprehensive health care centers. Currently, there is attention regarding the status of rural hospitals, since new forces threaten their financial viability. According to the report, some rural hospitals may face closure. The report suggests that the service areas of such institutions should be examined because, in some cases, government subsidies may be necessary to insure residents' access to health care.

Health Services Research. *Special Issue: A Rural Health Services Research Agenda.* **Summary of a conference sponsored by The National Rural Health Association and The Foundation for Health Services Research, San Diego, CA: December 13-15, 1987, HSR, 23, no. 6 (1989).** This invitational conference was held to summarize the existing research on key health care issues facing rural Americans. Participants identified gaps in the knowledge base of rural health service issues, and developed a rural health service research agenda. The conference was funded by the National Center for Health Services Research and Health Care Technology Assessment (NCHSR/HCTA) in response to a congressional directive (expressed in Public Law 99-500) to develop a rural health research agenda. The agenda was requested for submission to the House and Senate Appropriations Committees during the FY 1989. The Conference covered six main sets of issues of importance to rural health services: (1) Rural primary care and emergency medical services; (2) Rural elderly and continuing long term care; (3) Maternal and child health; (4) Rural poor and the uninsured; (5) Rural hospitals; and (6) Alternative delivery systems. For each of these six thematic areas, a written paper was commissioned to be prepared prior to the conference. Three additional papers were generated for the conference which looked at the place of rural health care in demographic and economic contexts; the second explored each of the six topic areas from the point of view of federal policy makers; and the third displayed general health status and service information.

Hendricks, Ann M. "Rural Hospital Wages." *Health Care Financing Review* **11, no. 2 (Winter 1989): 13-18.** The author analyzes various factors influencing rural hospital wages. Based on fiscal year 1982 wages from 2,302 rural American hospitals, she performed a test for a gradient descending from hospitals in counties adjacent to metropolitan areas to those not adjacent. He also found considerable variation in the ratios of adjacent to metropolitan area to nonadjacent area wage averages. No statistically significant difference, however, was noticed. The major determining factors in explaining these wage differences within states were occupational mix, mix of part-time and full-time workers, case mix, presence of medical residences, and location in a high-rent county within the state. Medicare adjusts only for two of these variables. The author suggests that the characteristics of some of the communities of high-wage should be considered urban, for example, the Bureau of Economic Analysis (BEA) areas with no Metropolitan Statistical Area (MSA) in them.

Henk, Matthew L. (Ed.). *Social Work in Primary Health Care.* **Newbury Park, CA: Sage Publications, 1989.** This book contains a collection of 12 articles authored by social workers and other health professionals. The authors focus on the social workers' roles in primary health care. Although none of the articles is written in rural context, some of the articles can be adapted to rural social service situations. Louise Doss-Martin and Deborah J. Stokes, for instance, in their article titled "Historical Development of Social Work in Primary Care", point out that anxiety and depression are two of the commonly diagnosed problems in primary care settings. Dealing with these problems is more appropriate and relevant for social workers than for primary physicians alone. The skills and professional preparations of social workers are more appropriate for working with problems like Alzheimer's disease and AIDS. The authors of the various articles and the editor in his introduction discusses specific roles of social workers in public health, and more precisely in primarily care. Several authors of this volume also discuss the contribution of social workers in the field of medical education and interactions of various social service disciplines in primary health care settings.

Hersh, Alice S., and Robert T. Van Hook. "Summary: A Research Agenda for Rural Health Services." *Health Services Research* **23, no. 6 (1989): 1053-64.** The authors synthesize recommendations for needed research on rural health care identified by more than 165 participating experts in the Rural Health Services Research Agenda Conference sponsored by the National Rural Health Association for the Foundation for Health Services Research held in San Diego, California during December 13-15, 1987. The conference recommendations have been summarized in this article. The major six topical areas included are hospitals, primary care, alternate delivery systems, the poor and underserved, maternal and child health, and the elderly. Six cross-cutting issues and problems of generic importance to each of the principal conference themes emerged during the conference interactions. The major cross-cutting issues that deserve special mention are: the need for complementary definitions of rurality; the need for secondary analysis of existing databases and the compilation of those existing data into small area units; problems related to the recruitment, retention and training of health manpower for rural areas; the impact of problems related to professional liability on the rural health care system; problems of transportation in rural areas; and the need for a rural perspective in discussions and recommendations regarding health care quality. Research covering these six fundamental cross-cutting issues would generate an additional information base, thus improving the applicability of the specific research and creating a resource base for strategic investment.

Heyman, Steven R., and Gary R. VandenBos. "Developing Local Resources to Enrich the Practice of Rural Community Psychology." *Hospital and Community Psychiatry* **40, no. 1 (1989): 21-23.** Rural communities have major geographic, social and psychological differences and they often generate misunderstanding in the delivery of rural mental health services. The author of this paper discusses some of the service delivery alternatives available to rural community mental health psychologists. Most training programs for mental health professionals are urban oriented. Urban models and situations are being followed in dealing with rural mental care problems. The authors recommend that the rural mental health profession should be more explicitly community oriented and should enhance its levels of understanding in the context of rural communities.

Hogan, Christopher. *Urban and Rural Hospital Costs: 1981-85.* **(DHHS Publication No. (PHS) 88-3419). Hospital Studies Program Research Note 12, National Center for Health Services Research and Health Care Technology Assessment. Rockville, MD: Public Health Service. April, 1988.** This paper demonstrates in a quantitative form the extent to which rural and urban hospital costs and revenues have changed over the period 1981 through 1985. The paper contrasts rural and urban hospitals in terms of location, size, scope of service and physician staff mix. It also examines various operating and cost characteristics of rural and urban hospitals over the period relating to both inpatient and outpatient services. The author of this paper concludes that despite structural differences between rural and urban hospitals, difference in average cost per discharge and in all-payer revenues remained constant over this period. Medicare revenue per discharge however grew relatively faster in the urban hospitals. Finally, the author discusses the implications of these findings for Medicare reimbursement policy.

Hughes, Dana, and Sara Rosenbaum. "An Overview of Maternal and Infant Health Services in Rural America." *The Journal of Rural Health* **5, no. 4 (1989): 299-319.** In this article the authors examine the availability, accessibility, and appropriateness of maternal and infant health care services in rural America. Due to unequal distribution of resources together with economic and racial barriers to health care nationwide, disadvantaged rural families experience serious difficulties in obtaining appropriate maternity and infant health care. The authors suggest important reforms which include training for primary care providers, lesser malpractice cost burden and encouraging physicians to practice in the underserved rural areas.

Human, Jeffrey. "HHS's Office of Rural Health is Off and Running." [An interview by Clay Mickel]. *Hospitals* **61, no. 23 (1987): 64-65.** This article documents an interview with Jeffrey Human, director of Health and Human Services Office of Rural Health. The interview establishes the fact that the federal government is taking major steps to revamp the rural health care system. The author discusses the issues of rural hospital closures and the impact on local economy: Medicare reimbursement policy changes; higher DRG updates; nurse and physician shortages; and measures to resolve these problems. He assures maximum possible decentralization of the health care system despite the fact that some communities are too sparsely populated to support a hospital or even a full-time physician.

Illinois Department of Public Health. *Health Care in Rural Illinois: Strategies for Change*. Health Report Series 88:3. **Springfield, IL: Illinois Department of Public Health, May 1988.** In view of the concern over closing of hospitals and access to vital health care, this report reflects an attempt to identify and examine a variety of potential solutions. Suggestions include strategies to assist rural development by restructuring health care delivery systems to meet the financially viable local needs.

Illinois Department of Public Health. *Report on Senate Joint Resolution Forty: Rural Health Clinic Certification.* **Springfield, IL: Illinois Department of Public Health, 1988.** This report on Rural Health Clinic Certification has been prepared in response to Senate Joint Resolution Forty, pursuant to PL 95-210, the Rural Health Clinic Services Act of 1977. The Act focused on the lack of physicians in rural areas throughout the nation. Its purpose was to increase the availability of health care providers in underserviced rural areas by allowing reimbursement of services provided by nurse practitioners and physicians' assistants. This report highlights areas of the state in which existing or new clinics and physicians' offices could be certified as rural health clinics. It offers details of the certification procedures; reimbursement process; information dissemination plan for local providers and an assessment of the impact of the Act on accessibility to health care in rural areas of Illinois.

Illinois Department of Public Health. *Illinois Hospitals: A Profile 1982-1986.* **(Health Report Series 88:9). Springfield, IL: Illinois Department of Public Health, 1988.** During the period 1982 through 1986, the hospital utilization rates for all clinical services in Illinois has been declining. But the demand for specialized services has increased. Rates of use of psychiatric and substance abuse have also gone up in a major way during the period. The trend shows that the demand for therapeutic radiology, heart surgeries, cardiac catheterizations and end stage renal disease will continue to increase in the future. A growth in the use of hospital outpatient departments has also been observed, especially in the area of emergency, and other related services. This report shows a sizeable shift in the patterns of hospital services which have affected not only hospitals in metropolitan areas, but also in rural Illinois.

Illinois Department of Public Health. *Hospital Beds in Illinois: Alternative Systems and Bed Counts.* **(Illinois Health Report Series 87-1). Springfield, IL: Illinois Department of Public Health, 1987.** This report has been prepared for the Certificate of Need Committee, Illinois Health Care Cost Containment Council. It examines hospital utilization data collection procedures and how these are used by different key organizations in Illinois. While hospitals are given licenses to offer specific clinical services, individual hospital beds are not licensed. As such, a licensed bed count is not valid for Illinois to provide a common starting point for many reporting organizations. As the goals and objectives of these organizations differ, so do the use of data and their meanings. This document addresses this issue and defines the critical concepts.

Illinois Department of Public Health *Midcourse Review of Illinois' Infant Mortality Reduction Initiative.* **Health Report Series: 89:7. Springfield, IL: Illinois Department of Public Health, June 1989.** This report presents an analysis, conducted by the Division of Family Health, IDPH, on selected birth outcomes through 1987 in the Families With a Future (FWF) target areas and other areas of the state to examine the earliest effects of the program. Changes in the rates of infant mortality, neonatal mortality, postneonatal mortality and low birthweight are analyzed. Rates for 1983 through 1987 are also compared for the geographic areas: Illinois, Chicago, and Downstate Illinois. Downstate Illinois is defined as Illinois exclusive of the City of Chicago; Suburban Cook County is included in downstate Illinois. The rate of Illinois' infant mortality showed little change in 1983. The rate rather increased slightly from 1985 to 1986, and then declined in 1987. In downstate Illinois the 1986-87 decline appears to be statistically significant. This report confirms that among the downstate areas reporting reductions in infant mortality were those cities and counties participating in the FWF program. Downstate programs are administered by local health departments. The department plans to conduct in-depth analyses of 1988 birth and death data from FWF reporting system to gain additional insight into infant mortality issues.

Illinois Department of Public Health. *Proprietary Health Care Facilities and Services in Illinois.* **Health Report Series 88.7. Springfield, IL: Illinois Department of Public Health, May 1988.** For many years, there have been a number of proprietary owned and managed health care facilities in Illinois. However the recent concern is due to the fact that recently large multi-state corporations have started to acquire Illinois hospitals and long-term care facilities. As a result, control of those facilities no longer exists with the communities they serve. It also has been observed that the management of not-for-profit facilities may be turned over by contractual placement, to a proprietary management group creating the quality of care vs profit issues. This report notes that about 14% of the hospitals were reported to be owned or merged by a proprietary organization. Control of many hospitals has moved away from the community to outside operators. These large multi-hospital organizations are geared to make profits from the health care services they provide. As they are not controlled locally, they are suspected of placing profit ahead of quality care. This report addresses many such questions relating mainly to three sectors of health care: hospitals, long-term care facilities, and home health agencies. In view of the concern that control of health care facilities is moving outside the local community, IDPH will direct much greater attention to these issues in its future surveys.

Illinois Economic and Fiscal Commission. *Medicaid Expansion: An Analysis of Optional Coverages Permitted Under the Sixth Omnibus Budget Reconciliation Act of 1986.* **Springfield, IL: State of Illinois Economic and Fiscal Commission, 1988.** As directed by the House Resolution 0703, IEFC analyzed costs and benefits of extending full Medicaid eligibility to pregnant women and their children up to age 5. This report is divided into three parts: an examination of the costs of extending the income eligibility standard to 100% of the federal poverty level, an assessment of the costs of providing prenatal care to poor pregnant women and the potential cost savings which could be realized from the improved birth outcome, and a discussion of the presumptive eligibility which enables medical providers to make on-the-spot Medicaid eligibility determinations. Also presented is a review of selected states whose prenatal efforts resulted in a significant impact on reducing low birthweight rates. It includes findings from a survey of states to identify those who have implemented the 1986 Sixth Omnibus Budget Reconciliation Act (SOBRA) and summarizes Medicaid coverage of children under 18 years of age and pregnant women nationwide.

Illinois Health Care Containment Council. *The Evolution of National Health Policy and the Illinois Health Care Delivery System.* **Springfield, IL: Illinois Health Care Containment Council, March 1, 1986.** This report to the Illinois General Assembly summarizes the public policy issues and challenges in a cost containment market environment related to health care. To provide quality health care for all at an affordable price has been a commitment of the policy makers at the State and Federal level for some time now. The new focus of health care policy is upon cost containment. Almost all major changes in Illinois and U.S. health care markets now are direct outcomes of this recent commitment to controlling health care costs. The report includes discussion of government support for the hospital industry, medical training, technology, elderly poor, and employer financed comprehensive health insurance. It also indicates various changes that took place due to cost containment pressures in Illinois.

Illinois Health Care Cost Containment Council. *Health Care in Illinois: A System in Transition.* **Springfield, IL: Illinois Health Care Cost Containment Council, 1986.** The Cost Containment Council was established in 1984 by the Illinois General Assembly in response to a growing concern about the rising costs of health care in Illinois. The goal of the Council is to propose ways to limit the increases in health care cost to the rate of inflation. The Council serves to publish information on hospital costs and financing, to monitor the costs of each hospital, and to inform consumers of hospital finance issues. This particular report analyzes the health care system in Illinois: the participants, the regulations, and the factors that impact upon the health care system. The report also establishes "Key Public Policy Issues" and lists five specific priorities for consideration by the Illinois General Assembly. The first priority of the Council is to assure access to medical care for the medically indigent - the uninsured and underinsured. Second, the report proposes close monitoring of the quality of medical care offered to consumers. Third, the Council questions the efficiency of the Certificate of Need Program. Fourth, the Council recommends that cost shifting be minimized. Cost shifting is often used to compensate for the cost of charity medical care. Finally, the financial hardship experienced by hospitals, primarily those serving low-income persons is examined. All of the priorities established by the Council relate to the increased role that market forces have on the health care system. According to the Council report, the increased competition among hospitals and other health care providers has an effect on such measures as the ability to sustain care to indigents and the quality of medical care available.

Illinois Health Care Cost Containment Council. *Unrestricted Hospital Care and the Medically Indigent in Illinois: Indigent Care Committee Report.* **Springfield, IL: Illinois Health Care Cost**

Containment Council, 1987. This policy paper presents an overview of the issues related to uncompensated hospital care and the medically indigent. It provides a list of solutions for consideration. As medical indigence affects many areas of the state differently, no one solution may be applicable to this problem. However, the views and recommendations of the Council members representing business, consumer, insurance, and provider have been presented in this paper. The council is of the opinion that strategies and policies concerning the issue must reflect local conditions.

Illinois Health Care Cost Containment Council. *The Consumer Guide to Changes at Illinois Hospitals by Illinois Categories (Age 65 and older).* **Chicago, IL: Illinois Health Care Cost Containment Council, 1989.** This guide provides statistical information for average hospital charge, average length of stay and number of cases for the ten most frequent illness categories treated by Illinois hospitals for the reporting period January 1, 1987 through December 31, 1987. The information used is based on quarterly hospital VB-82 data submitted by the Illinois Health Care Cost Containment Council. The hospitals have been grouped by Health Service Areas (HSA). A brief description of each of the ten "DRG/Illness Categories" has been included in this guide. The purpose of this guide is, primarily, to make the consumers aware and informed of the major factors that influence hospital charges.

Illinois Health Facilities Planning Board. *Report on Access to Health Facilities in Rural Areas.* **Springfield, IL: State of Illinois Health Facilities Planning Board, April 6, 1989.** This report presents and examines options in order to improve access to basic health care services in rural areas of Illinois. Of the various initiatives the Board has taken, the major ones include an inventory of access patterns for hospitals and other rural Illinois facilities, establishment of quality of care indicators for reviews, information on economic implications of proposed rural projects on local community, and an expanded analysis of this evaluative report.

Illinois Hospital Association. *Health Care in the Land of Lincoln: A Briefing Book for Illinois Leadership.* **Naperville, IL: Illinois Hospital Association, 1989.** This briefing document has been prepared to discuss the trends affecting the health care system in Illinois. Besides a general status on rural health, it contains a segment on rural health care and useful tables on rural hospital data. This report concludes that the major reasons for hospital closures of the 80's are under-funded Illinois Medicaid, inadequate Medicare reimbursements to hospitals, and an astonishing number (1.5 million) of uninsured in the population. Explained is IHA's position in the state's health care system and its assurance of full cooperation with the state leadership.

Institute of Medicine. *Preventing Low Birthweight: Summary.* **Washington, DC: National Academy Press, 1985.** This publication is a summary of a 284-page report prepared by an interdisciplinary committee formed by the Institute in 1983 to determine opportunities to reduce the incidence of low birthweight in the United States. The report includes causes and preventive measures to reduce premature birth and intrauterine growth retardation, the twin contributors to low birthweight. The Committee concludes that the prevention of low birthweight could significantly reduce infant mortality and improve child health.

Institute of Medicine. *Homeless, Health, and Human Needs.* **Washington, DC: National Academy Press, 1988.** This study was undertaken upon request of the U.S. Congress. The authors examine delivery of inpatient and outpatient health care services to homeless people. The main purposes of this study are to evaluate whether the eligibility requirements in the existing health care programs prevent homeless individuals from receiving health care services; to assess the efficiency of the health care services to homeless individuals; and to recommend activities by federal, state, local, and private entities that would improve the availability of health care services to the homeless. In fulfilling these purposes, the authors also make an effort to identify characteristics of the homeless, and explore causes of being homeless, together with its various dynamics, its health problems, health care services availability, as well as its barriers and special needs. Of the major findings, the authors report that some health problems are common to homeless people, such as alcoholism or mental illness. Programs are described which provide general health and mental health care services to homeless people. In short, the authors report recommendations of the Committee which emphasize preventing and reducing homelessness before turning to immediate health care and other service needs required by the homeless people.

Institute of Medicine. *Prenatal Care: Reaching Mothers, Reaching Infants.* **Washington, DC: National Academy Press, 1988.** This publication has been supported by major foundations, corporations, and the Division of the Maternal and Child Health of the federal government. This report explores ways of drawing more women into perinatal care early and to maintain their involvement until delivery. Trends in the use of perinatal care, since 1980, have remained stable or dropped. Data indicates that since 1980 there has been a considerable increase of births to women with delayed or no perinatal care. This study has been planned to focus on the health value of prenatal care and its cost-effectiveness. It covers issues such as maternity care, financing and organization; demographic risk factors; barriers to the use of prenatal care; women's perceptions of barriers to care; providers' opinions about this delayed care; use of prenatal care. The report also highlights the lessons learned from a variety of programs and program efforts to promote use of prenatal care.

Isaacs, Joseph C. *Congress and Health: An Introduction to the Legislative Process and Its Key Participants.* **(Seventh Edition). New York: National Health Council, 1987.** This handbook is designed to improve the effectiveness of health professionals and members of the public involved in health policy development issues. It presents an overview of congressional processes and their relevance to health policy. It also contains a discussion of the budget process together with an updated explanation of the Balanced Budget and Emergency Act (PL 99-177), known as the Gramm-Rudman-Hollings Amendment. It includes an index listing the major health programs to the Congressional committees and subcommittees, members' photos and staff assignments, addresses and phone numbers, together with the name, room location, phone number, and health aide of every member of Congress and their authority over areas like aging, nutrition, narcotics abuse, and environmental issues.

Joint Task Force of the National Association of Community Health Centers and the National Rural Health Association. "Health Care in Rural America: The Crisis Unfolds." *Journal of Public Health Policy* **10, no. 1 (1989): 99-116.** The Task Force stresses that much of the research on rural health care is issue-specific and lacks an analytical interplay of the diverse issues. The issue-specific research often produces a narrow implication for public policy while a coordinated approach could be more effective. The Task Force members provide an analytic view of the diversity of issues with an intention to stimulate a coordinated approach to public policy solutions. They present a description of the nature and extent of declining rural communities in the United States and examine the impact of various issues and trends on several sectors of the rural health care system and different segments of its rural populations. The Task Force concludes with a series of recommendations which may provide insights and direction for federal and state policy makers to determine future actions.

Kindig, David A., and Hormoz Movassaghi. "The Adequacy of Physician Supply In Small Rural Counties." *Health Affairs* **8, no. 2 (1989): 63-76.** The authors of this article examine physician supply in small rural counties with fewer than 10,000 residents. They find that during the period 1975 through 1985, the number of physicians per 100,000 residents grew about three times faster in the United States than in rural areas. In view of this situation, the authors suggest some kind of a standard and a norm of physician availability which may be desired or optional for these locations. But, no such standard actually exists. The average levels of physician distribution in the United States as a whole and in all metropolitan areas are currently higher than those in the small rural counties. The authors indicate that the supply of physicians has increased in the rural communities but at a slower pace, in comparison with the nation or all nonmetropolitan areas during the period of the study. However, the authors do not propose any mechanisms for improving physician availability in such counties. They conclude the article with expressing an interest to conduct future research on similar subjects on nonmetropolitan counties with MDs only to see how nonmetropolitan areas compare with the areas covered in this study.

Knight, Patricia. "Federal Legislative Changes Affecting the Reimbursement of Health Care in Rural American." In *Financing Rural Health Care,* **edited by LaVonne Straub and Norman Walzer, 113-128. New York: Praeger, 1988.** The author presents an overview of congressional perspectives in the areas of rural health care and discusses the federal role in the context of the prevailing budgetary constraints. The major factors, as discussed at the Finance Committee level, and which have been echoed at the federal policy-making levels quite frequently, are: continuing changes in the Medicare program; depressed rural economy and its effects on local government revenues; increasing rural elderly population; and changes in consumer preferences for the ranges of services. Medicare and Medicaid expenditures continued to receive the major federal budget allocation. In addition to funding of these two grant programs, federal support to rural areas comes through community health centers, the National Health Services Corps, and other public health programs. The author also discusses recent legislative changes and legislation under consideration and issues concerning the future of rural health care such as more changes in Medicare reimbursement, long-term care, uncompensated care and manpower distribution.

Kovner, Anthony R. "The Hospital-Based Rural Health Care Program: A Consortium Approach." *Hospital & Health Services Administration* **34, no. 3 (1989): 325-32.** The Hospital-Based Rural Health Care Program is a national program initiated by The Robert Wood Johnson Foundation. The program goals are to strengthen the ability of rural hospitals to deliver quality service and to provide their financial stability. The four-year demonstration program which began in January 1988 funds up to $9-million in grants and $7.5-million in loans to 13 consortia of 182 rural hospitals. The author discusses the program, its implementation and measurable objectives and significance. He also reviews the first year's experience and outcomes of the program.

Lancaster, Wade. "Marketing Home Health Care to the Rural Elderly: From Strategy to Action." *Family & Community Health* **11, no. 2 (1988): 72-80.** Rural populations have been estimated to have increased. One of the characteristics of this population shift is the disproportionate numbers of the elderly and poor people living in the rural areas. The rural elderly tend to have lower incomes and are less likely to have health insurance. Compared to the general population, the elderly have more health problems and need more health care services. As such, the needs of the elderly are beginning to dominate the rural social and health-related services. Unfortunately, many of the rural clinics which were created with federal support during the 1970s to provide quality primary care to needy populations are now facing numerous problems. The author of this article illustrates how some of the rural communities saved their sick clinics by forming a consortium. The Southern Rural Health Care Consortium (SRHCC) was established in 1977. Starting with four clinics located near one another, SRHCC was able to eliminate duplication of many administrative functions, reduce costs and provide better coordinated services. Currently, the consortium represents an amalgamation of several separate Rural Health Initiative grant facilities and previously unrelated primary care clinics into a centrally administered network of clinics offering health and human services to a widely dispersed rural and small town population in northeastern Mississippi and northwestern Alabama. Collectively, the consortium provides a wide variety of health and human services. The author concludes that success of such consortiums depends on a consumer-oriented approach to strategic planning. The most important feature of its efforts is the identification of market segment with specific health and human service needs of the population of the area.

Langholz, Richard, and Thomas C. Ricketts. *Access to Obstetrical Services In Rural Communities: A Response to the Liability Crisis in North Carolina.* **Chapel Hill, NC: Health Services Research Center, University of North Carolina at Chapel Hill, 1989.** This study is about the current medical malpractice crisis related to obstetric services. It is focused on a policy initiative by the state of North Carolina to deal with the problem. Many family physicians are severely affected by the rising malpractice premiums and as a consequence, they are reluctant to provide these services, particularly in the rural area. Rural family physicians are often the only source of obstetrical care. The obstetricians in the rural area, often times, tend to practice alone or in small groups without the proper technical support. In response to this trend, the North Carolina General Assembly in 1988 passed the Rural Obstetrical Care Incentive Bill

(ROCI) encouraging obstetricians to provide care in the underserved areas. This bill is designed to support the physicians for providing obstetrical care in the rural areas. The Bill assures compensation to physicians for the difference between costs of malpractice, or $6,500, whichever is less. This paper provides the context for that program and suggests evaluation and application possibilities in other states.

Lawler, Therese G. "The Nursing Shortage and Its Implications For Rural Health." (Editorial). *Tar Heel Nurse* **50, no. 3 (1988): 8-9.** In rural hospitals, and in any other rural health care facilities, nurses are the essential health care providers. Acute shortage of trained nurses is likely to jeopardize the rural health care systems. By and large, nursing shortages have been felt in the United States for the past 40 years. But the demand for nurses, particularly those prepared at the baccalaureate level, have grown substantially due to a rising number of older citizens. Despite the fact that the nursing workforce now numbers around 2 million, and in the past 30 years exceeded the population growth, the supply is actually dropping in proportion to the demand because of declining enrollments in the nursing schools. The author of this editorial reflects on the dimensions of this critical shortage in the context of North Carolina and the nation. The author has used data collected by the American Association of Colleges of Nursing which suggest that individuals seeking professional education are not seeking nursing in recent years. In view of this concern, the author suggests that appropriate attention should be directed toward recruitment, retention, respite and reorganization. Recruitment efforts should be targeted toward younger school children in the middle grades and adults planning mid-life career changes. She also suggests development of cooperative arrangements between health care institutions and educational institutions. Action is needed to recruit the brightest students to nursing, create a supportive work environment of autonomous nursing practice and to enhance the knowledge and capability of the nurses already practicing.

Lesley, Paul. "The Changing Rural Population and Health Care Demands in the Midwest." In *Financing Rural Health Care,* **edited by LaVonne Straub and Norman Walzer, 1-23. New York: Praeger, 1988.** The farm crisis combined with an historical population loss has endangered the availability and quality of rural health care in the North Central region of the United States. The author of this paper presents an overview of the population shifts in the Midwest. The author analyzes socioeconomic changes such as rural incomes, economic conditions, and changed farm and business situations, to trace the development patterns. Historical data are used to describe rural population change and its implications and impact on the health care delivery system in the rural communities. Unless health care providers pursue options aggressively, it would be difficult to maintain adequate health care service delivery in the rural Midwest communities as well as controlling the erosion of agricultural farms and people.

Lewin, Marion Ein (ed.). *From Research into Policy: Improving the Link for Health Services.* **Washington, DC: American Enterprise Institute for Public Policy Research, 1988.** This collection of articles focuses on the role of health services research in the formulation of policies and programs. It presents four case studies examining federal and state initiatives in the areas of containing health care costs, developing prospective payment/diagnoses-related groups (DRG) for hospitals, improving access to maternal and child health services, and reforming nursing home reimbursement. The authors of these case studies look at the contribution of health service research in shaping those efforts. They also emphasize the need for communicating the results of health policy research to decision makers in simple terms, thus maintaining integrity from all respects.

Main, Deborah S., Carolyn J. Tressler, Ned Calonge, Lynn Joffe, and Andre Robichaux. "A Subsidized Perinatal Care Program in a Rural Colorado County." *The Journal of Rural Health* **5, no. 4 (1989): 397-403.** A large number of medically indigent women in rural areas today are able to obtain little or no perinatal care. Perinatal care is one of the major problems of rural health care delivery systems in recent times. In Colorado, subsidized prenatal and labor/delivery programs have been introduced to help reduce the degree of this problem. The authors of this article report on two programs which have been implemented in a rural county. These programs involve private physicians, health department personnel, and social work staff at the local hospitals to collaborate in providing financial assistance, health education, and quality medical care for eligible women in pregnancy. The authors also discuss the benefits and barriers to providing of quality perinatal care in rural settings. The programs turn out to be effective in improving perinatal outcomes such as low-birth-weight and neonatal mortality.

Manderscheid, Ronald W., and Sally A. Barrett. *Mental Health, United States, 1987.* **Washington, DC: U.S. Government Printing Office, DHHS Publication No. (ADM) 87-1518, 1987.** This publication represents a continuing effort on the part of the National Institute of Mental Health (NIMH) to present statistical information on the Nation's organized mental health service delivery system. Data sources have been mainly from national surveys conducted by NIMH, in collaboration with the state mental agencies and the American Hospital Association together with the on-going data systems of the Health Care Financing Administration. Also included are data support from special surveys conducted by the National Association of State Mental Health Program Directors. The authors include, for the first time, a chapter highlighting the characteristics of a very disabled population suffering from mental disorders. The remainder of the publication includes the latest data on trends in the availability, volume, staffing, and expenditures of organized speciality mental health services; the characteristics of special population groups using these services; the various features of mental health services in each state; revenues and expenditures of each state mental health agency; and Medicaid expenditures. This volume is prepared to serve as a reference for the latest statistics on the mental health service delivery system and may benefit the researchers, clinical and administrative personnel involved in the mental health field.

Maram, Barry S., and E. Michele La Mothe. "The Rural Route to Health Care Capital Financing." In *Financing Rural Health Care,* **edited by LaVonne Straub and Norman Walzer, 175-190. New York: Praeger, 1988.** The authors of this article focus on financial policies of the government which may have implications for rural health. They explore viable strategic options and recommend that rural hospitals can compete effectively in a threatening environment if they provide adequate access to quality health care at a reasonable cost. Rural communities may depend on the availability of and access to financial capital from sources outside the local area. The authors explore possibilities of providing low cost loans to health care institutions for a variety of capital projects such as renovation and modernization of hospitals, updating diagnostic and therapeutic technologies for efficient and cost-effective services, and providing mental behavioral and related health care services. Many of these solutions for survival lie in effective utilization of available financing procedures. Sound and well-informed management strategies, long-term goals, and appropriate financing tools, may enable rural hospitals to compete effectively.

Marwick, Charles. "Educating Farmers, Physicians Who Treat Them, About Rural Life's Potential Health Hazards." *Journal of the American Medical Association* **261, no. 3 (1989): 343.** Several conferences in Iowa City and Des Moines resulted in the formation of a National Coalition for Agricultural Safety and Health to make farm life safer. Legislative efforts have been made to regulate safe use of equipment, pesticides, and fertilizers. The Coalition group also emphasized the provision of training in agricultural safety through a proposed center under the Public Health Service. The major thrust of this Coalition is directed at education of both farmers and those who treat the ill and the injured farmers.

McManis Associates, Inc. *"Hospital Closures: Perspectives and Prescription."* **Chicago, IL: Illinois Hospital Association, October 12, 1989.** This report was presented to the Illinois Hospital Association, is about the trends and environmental forces in health care which are having significant impact on the strategies and business plans of all organizations involved in health care currently, or in the future. It contains useful data on hospital closures in the United States, vis-a-vis the state, and related cost-containment efforts.

McManus, Margaret A., Paul W. Newacheck, and Rebecca A. Weader. "Metropolitan and Nonmetropolitan Adolescents: Differences in Demographic and Health Characteristics." *The Journal of Rural Health* **6, no. 1 (1990): 39-51.** The authors examine the demographic and health characteristics of metropolitan and nonmetropolitan adolescents using nationally representative samples of 15,181 randomly selected adolescents from the 1984 National Health Interview Survey. Nonmetropolitan adolescents in the United States differ in socioeconomic status with their metropolitan counterparts but are similar in health status. As regards the patterns of health services utilization and health insurance coverage, adolescents of both areas differ significantly. Included is a discussion of the health care delivery and financing implications of these dissimilar health care utilization habits.

McManus, Margaret A., and Paul W. Newacheck. "Rural Maternal, Child, and Adolescent Health." *Health Services Research* **23, no. 6 (1989): 807-48.** The authors of this paper present an overview of the state-of-the-art rural demographics and fertility, health status, health services utilization, and health care financing for the development of future research recommendations based on the most recent national information on rural maternal, child, and adolescent health. Except for rural perinatal care, literature on rural maternal and child health services are limited and outdated. Whatever materials are available on this issue are focused on organizations and service delivery of the mid-to-late 1970s during which time, federal involvement was extensive in the area of rural health. Rural minority health status has been seldom covered, with the exception of information on low birthweight and infant mortality. The authors provided an analysis of health differentials among children in metropolitan and non-metropolitan areas based on data provided by the National Center for Health Statistics and the National Health Interview Survey (NHIS). However, data from most national surveys cannot be used beyond two group dichotomies: metro and nonmetro counties. As a consequence finer details are lost. The authors recommend development of a population data base using physical and behavioral illnesses or problems, signs and symptoms of risk taking or risk averting behavior of rural children, together with an in-depth analysis.

Melton, Robert J., and Myles R. Riner. "Revising The Rural Hospital Disaster Plan: A Role for the EMS System in Managing the Multiple Casualty Incident." *Annals of Emergency Medicine* **10, no. 1, (1981): 39-44.** Traditionally, efforts in disaster planning have been directed toward large-scale, war-related, or major natural calamities. A disaster plan of a rural community was tested in a simulated airport accident. It was determined that the plan was not effective in providing essential components for managing such an accident. The authors argue for the development of an alternative model of response involving the escalation of regular emergency medical service system. This may provide more rapid and effective allocation of emergency medical resources of the rural community in the management of multiple casualty incidents.

Menolascino, Frank J., and Jane F.Potter. "Delivery of Services in Rural Settings to the Elderly Mentally Retarded-Mentally Ill." *International Journal of Aging & Human Development* **28, no. 4 (1989): 261-75.** Distance, education and capital are recognized as the major constraints the rural communities face for their mentally-retarded elderly population in providing the psychiatric and social support services. But, in view of the facts that there is a five-fold increase in the life-spans of the mentally retarded group in recent decades and it is are twice as likely to develop severe behavioral problems, it is necessary to overcome these rural constraints. This paper examines the ways and means to ensure that these elderly citizens receive the appropriate psychiatric services and community assistance.

Miller, Robert S., and JoAnn Ray. "The Satisfaction of Community Mental Health Professionals with Life and Work in Rural Areas." *Human Services in the Rural Environment* **10, no. 2 (1986): 5-11.** There has been concern over high rates of job turnover following rapid influx of urban mental professionals into rural areas during the 1970s. Based on this concern, the authors of this article explore job characteristics and the work and lifestyle satisfaction of rural mental health professions. A survey of Washington state rural community mental health professional workers was conducted to identify variables that affect satisfaction with rural life and work. Psychologists and social workers constituted 70% of the respondents of the 8-page questionnaire and the remaining ones were counselors, nurses, psychiatrists, educators, and other professionals. The authors report moderately high levels of job and lifestyle satisfaction. Professionals planning to leave their rural employment and residence indicated lower levels of satisfaction and shorter job tenures. Professionals with previous life and previous work experiences in rural areas indicated higher satisfaction. Those who had taken courses on rural topics or had rural practicum experience expressed higher levels of preparedness to work and live in rural areas. The findings strongly support the guiding premise of this research that anticipatory socialization in the form of life and educational experiences correlates with higher levels of lifestyle and job satisfaction.

Miller, Tim C. "A History of Regionalized Premature Care in Rural Illinois." *American Journal of Periontology* **6, no. 4 (1989): 384-92.** Large rural health care regions have never received attention of researchers to deal with historical perspectives relating to premature infant care probably due to very insignificant political voice. The author of this paper presents an historical description of the development of premature infant care initiatives in Illinois. Records and documents of historical importance have been reviewed and compiled using three major private and public health agencies in Illinois. The author identified the evolutionary stages of development of premature care in Illinois including public awareness as well as the organized public sector medical acceptance of this rural health care issue for infant patients.

Moscovice, Ira S. "Rural Hospitals: A Literature Synthesis and Health Services Research Agenda." *Health Services Research* **23, no. 6 (1989): 892-930.** The main purpose of this article is to determine the researchable issues concerning rural hospitals in the United States. While doing this, the author first presents an overview of recent trends affecting rural hospitals, then synthesizes the existing literature on rural hospitals, and finally proposes a health services research agenda for rural hospitals. He calls for future research needed to examine the environmental circumstances that facilitate many types of rural hospital linkages with multi-hospital systems. The result may be positive economic and other benefits for rural hospitals. Research efforts on hospital linkages may help federal and state government as well as the private sectors to assess their specific roles in meeting the challenges of rural hospitals to survive.

Moscovice, Ira. "The Future of Rural Hospitals. "In *Financing Rural Health Care,* **edited by LaVonne Straub and Norman Walzer, 65-81. New York: Praeger, 1988.** The author of this chapter presents an overview of rural hospitals, and examines factors affecting their performances, and makes an assessment of their future. That the rural hospitals are in crisis has been well documented. The crisis is centered around the financial viability. The financial problems of the rural hospitals have been aggravated by the implementation of Prospective Payment System (PPS). However, there are other factors which are equally threatening to the survival of these hospitals. The future of rural hospitals depends largely on their adjustments to the new changes that have taken place, combined with the new trend in rural population and its economy. It may not be feasible for small rural hospitals to invest in expensive technology for improved services despite intense competition from larger hospitals. Rural hospitals will undoubtedly continue to provide general practitioner care but must rely extensively on larger, better equipped facilities outside their communities for diagnoses of serious illnesses and medical problems. Physicians are more specialized and are not likely to locate in rural communities due to lack of technological support and professional opportunities. Rural hospitals do not have much future unless feasible alternatives for health service delivery are explored. The author sees diversity of services and cooperative linkages for the hospitals as the viable alternative for the survival of the rural hospitals.

Mullner, Ross M., Robert J. Rydman, David G. Whiteis, and Robert F. Rich. "Rural Community Hospitals and Factors Correlated with Their Risk of Closing." *Public Health Reports* **104, no. 4 (1989): 315-25.** The importance and contributions of hospitals to the rural community life are beyond health issues. The rural hospitals are often the largest employer and play significant roles in the economic development of the area. Although much has been written on the closures of rural hospitals, this study found an absence of quantifiable models to examine the factors associated with the risk of closing. Using epidemiological methods, the study identified variables correlated with rural hospital closures between 1980-87. The authors conclude that factors associated with financial and competitive strength as well as the hospital's ability to adapt to the changed health care market, contribute to the risk of hospital closures.

Mutel, Cornelia F., and Kelley J. Donham. *Medical Practice in Rural Communities.* **New York, NY: Springer-Verlag, 1983.** The provision of health services to the rural communities is still a difficult problem. This book includes ways to attract physicians to rural medical practice. The authors present an overview of the special health problems of the rural society and encourage young medical practitioners to engage in rural practice. They also emphasize the need to strengthen community-oriented medical education throughout the United States of America as well as the need to create interest and involvement of the medical students to adapt to the rural settings.

National Center for Health Services Research and Health Care Technology Assessment. *The Rural Health Care Challenge. Staff Report to the Special Committee on Aging, of the United States Senate.* **Prepared by Larry T. Patton, 100th Congress, 2d session, 1988. Committee Print, s. prt 100-145, Serial 100-N. Washington, DC: U.S. Government Printing Press.** This report focuses on the challenges rural communities must meet in health care, concentrating on the problems facing rural hospitals and the shortages of health care personnel in rural areas. The major findings of this report are: (1) unfair federal Medicare reimbursement policy exists for rural hospitals; (2) lowest Medicare Prospective Payment System (PPS) led rural hospitals with less than 50 beds to lose money; (3) in 1986 and 1987, rural hospital closures have exceeded urban closures; (4) the average rural hospital suffered a loss when caring for Medicare patients; (5) largely because of limited resources and access to transportation, a large number of older citizens either cross state borders or leave home town for health care need; (6) rural hospitals cannot compete with urban hospitals in offering financial bonuses to alternate nurses, forcing 9% of rural hospitals to close beds as a direct result of nurse shortage; (7) rural population growth has slowed substantially due to migration to urban areas; (8) higher percentage of rural populations are uninsured at every income level; (9) a disproportionate share of the rural population is poor; (10) while the elderly comprise 12% of the total U.S. population, they account for 25.4% of the population in rural communities; and (11) growing unemployment rate exists in rural communities. This report also contains recommendations to change the hospital payment systems and remphasizes higher federal support to prepare health professionals for employment in rural communities.

National Institute of Mental Health. *Mental Health Directory 1985.* **Compiled by Marion R. Warsack, Paul R. Henderson, Michael J. Witkin, and Ronald W. Manderscheid, 85-1375. Washington, DC: U.S. Government Printing Office, 1985.** This directory includes a nationwide listing of mental health organizations and related resources as a guide to mental health services that are currently available throughout the United States. It provides a variety of information to assist both mental health practitioners and planners in the field, and individuals seeking help. It may also help mental health and other providers in facilitating patient referral. Mental health organizations are defined as administratively distinct governmental, public or private agencies or institutions that have, as a primary objective, the direct provision of mental health services to the mentally ill or emotionally disturbed. Mental health organizations include primary locations at which services are delivered as well as satellite organizations, located at different addresses and/or having different names. Both types, arranged alphabetically, are shown in the directory by state and city within state. Data provided for the individual organizations were collected through the Inventory of Mental Health Organizations conducted in August 1982 by the Survey and Reports Branch, Division of Biometry and Epidemiology, NIMH and with the assistance of each of the state mental agencies listed separately at the end of the directory.

Nesbitt, Thomas S., Roger A. Rosenblatt, Frederick A. Connell, and L. Gary Hart. *Access to Obstetrical Care in Rural Areas: Effect on Birth Outcomes.* **Rural Health Working Paper Series, Vol. 1, No. 4. Seattle, WA: WAMI Rural Health Research Center, Department of Family Medicine, Research Section, University of Washington, 1989.** There has been a major decline in obstetrical participation by physicians in the rural communities because of the rapid increase in professional liability premiums for obstetrical malpractice suits. As a result, women of sizeable number, choose to go elsewhere for obstetric help as well as for routine deliveries and prenatal care. In view of this situation, it is likely that women obtain inadequate prenatal care followed by early labor complications. Upon examining the association between availability of local obstetric care and perinatal outcomes the study concludes that women living in the areas without proper obstetrical care are more likely to experience adverse perinatal outcomes. The study also suggests that declining local obstetrical services may present increased perinatal risk for rural women.

Nesbitt, Thomas S., Joseph E. Scherger, and Jeffrey L. Tanji. "The Impact of Obstetrical Liability on Access to Perinatal Care in the Rural United States." *The Journal of Rural Health* **5, no. 4 (1989): 321-35.** In response to the liability issues which have seriously affected the rural obstetric services, the authors examine their impact on perinatal care on rural America. They cite evidence to show that this crisis has created a major loss of obstetrical providers resulting in adverse birth outcomes, which may have implications for increased health care costs in the future. The study's recommendations focus on comprehensive policy change including medical education funding, curriculum development, and an admission process to meet the challenge.

Norton, Catherine H., and Margaret A. McManus. "Background Tables on Demographic Characteristics, Health Status, and Health Services Utilization." *Health Services Research* **23, no. 6 (1989): 725-56.** This article provides tables as supplementary materials for the special issue of HSR on 'A Rural Health Services Research Agenda'. The tables cover data of demographic characteristics and health service utilization for the U.S. metro- and non-metro area populations. Data used in this paper have been obtained from the National Center for Health Statistics and the U.S. Bureau of the Census. Demographic characteristics point to a higher proportion of persons 65 and over in nonmetro areas compared to metro areas in every region of the United States; fifteen states had over half of the population living in nonmetro areas; 15% of all nonmetro families lived in poverty in 1985. As regards health status, the rate of acute conditions was higher for persons in metro areas than nonmetro areas in 1985. Wide disparities have been noticed between metro and nonmetro patients in frequency for which medical services were sought for specific acute conditions. Differences also have been noticed in rural-urban ratios of injury mortality. Cardiovascular diseases were the leading cause of death in both of the areas. In health services utilization, 80% physicians practiced in metro areas and 20% in nonmetro areas in 1985. People of rural areas were likely to be more deprived of health care, health insurance and of proper health than their urban counterparts.

Office of Technology Assessment. *Defining "Rural" Areas: Impact on Health Care Policy and Research.* **Staff Paper: Prepared by Maria Hewitt. Washington, DC: U.S. Government Office Press, July 1989.** There is no uniform definition of "rural" areas for the purposes of federal program administration and distribution of funds. Oftentimes, different definitions are used by the same agency. It appears to be a problem to quantify rural health concerns and to make informed policy decisions without a clear definition of what "rural" areas are. This staff paper describes the principal "rural" definitions applied by the Federal Government that affect health programs and policies. The classifications distinguish different types of rural areas, and explain how federal agencies have used these definitions to compile vital and health statistics to implement programs. The author also examines the strengths and weaknesses of rural definitions and classifications currently used.

Organization for Economic Co-operation and Development. *Financing and Delivering Health Care: A Comparative Analysis of OECD Countries.* **(OECD Social Policy Studies No. 4). Paris: OECD, 1987.** This study is an extensive cross-country comparison of health care financing and delivery trends in OECD countries. The OECD countries are comprised mainly of the member-countries from Europe and the United States of America, Australia and a few Asian countries. It discusses the basic methodological issues related to measurement of health output and provides 50 tables and charts of comparative statistical information on health outcomes, expenditures, prices and utilization. It contains discussions on the future impacts of changes in population and technology. The policy to promote equity and efficiency in the financing and delivery of health care has been analyzed, providing a framework for understanding the complex medical, social, and economic forces underlying health care financing and delivery systems.

Overall, Nedra A., and Julie Williamson (Eds.). *Community Oriented Primary Care in Action: A Practice Manual for Primary Care Settings (Contract No. 240-84-0124).* **Washington, DC: U.S. Department of Health and Human Services, 1990.** The University of California at Berkeley, School of Public Health was awarded a contract by the Bureau of Health Care Delivery and Assistance (BHCDA) to "advance the concept and practice of community oriented primary care (COPC)." As required by the contract, the School of Public Health worked with health centers funded by BCHDA to determine the (1) elements of COPC that can be implemented in various primary care delivery sites; (2) impact of specific COPC efforts on the communities and their health practice; (3) requirements to incorporate COPC into ongoing delivery site; and (4) development of curricula and training modules for educational programs designed to prepare multidisciplinary health care teams to incorporate COPC into health care delivery. Based on these requirements, the UCLA School of Public Health developed a seminar and field work projects and worked during the past four years to enhance understanding of the opportunities and obstacles in the context of implementation of COPC in community health centers. The feedback was made available to improve the formal coursework and training materials. Based on these efforts, a training manual was developed and field tested in 1987 and subsequently revised. This manual represents the results of these years of efforts to help understand the applicability of COPC. The manual is designed to help the health leaders who initiate and carry out changes necessary to implement COPC. The organizational format generally follows institute of medicine models which include defining the community, identifying health problems, modifying the health delivery program, and monitoring program effectiveness. The manual also provides practical information with examples to enable the key agency staff to apply COPC principles to their settings.

Parlak, Bernice A., and Ramona P. Higgins. "The Partnership Potential: Community Health Centers and Area Agencies on Aging." *Aging* **no. 357 (1988): 10-13.** There are about 600 Community Health Centers nationwide and only about 10 percent of the clients are over 65. The reasons for this low participation by the senior citizens are probably due to their emphasis on maternal and child health, and disease prevention. Among other reasons for this low rate, the older persons may have long-standing relationships with their physicians, resistance to use unfamiliar health centers, and lack of transportation in rural areas. The authors suggest establishing a link between Community Health Centers and Area Agencies on Aging, especially in underserved areas. As a case in point, it refers to the cooperative service developed in Southern Illinois between Shawnee Alliance Health Service and Development Corporation and the Egyptian Area Agency on Aging.

Patrick, Donald L., Jane Stein, Miquel Porta, Carol Q. Porter, and Thomas C. Ricketts. "Poverty, Health Services, and Health Status in Rural America." *The Millbank Quarterly* **66, no. 1 (1988): 105-136.** Health care access to all has been a major policy goal in the United States. Decreased access is assumed to lead to decreased health status, particularly for the low-income population. A cross-sectional sample of 7,823 adults from 36 rural communities has been analyzed with a comprehensive model illustrating the relation between poverty, health care needs, service use, and health outcomes. The study concludes that increased access and use are beneficial, but also it indicates clearly that combined health and social initiative is a necessary condition to reduce inequalities in health status.

Patton, Larry. "Setting the Rural Health Services Research Agenda: The Congressional Perspective." *Health Services Research* **23, no. 6 (1989): 1005-51.** The author summarizes recent congressional initiatives leading to a resurgence of interest in rural health care. Rural health care was the major topic of interest. It created a record number of speeches, press coverage, committee hearings, and legislations that were introduced and enacted into law. In the early 1970s, rural health played a significant role on the congressional legislative agenda. Rural America had benefited, in the past decades, from federal programs to increase the availability of hospital care (Hill-Burton) and insurance coverage (Medicare and to some extent, Medicaid). However, the 1980s can be characterized as a period of advocacy for maintenance of existing rural health programs in the face of consistent budget cuts. While discussing various aspects of the congressional perspectives of rural health, the author touches on various themes to include in the research agenda. For example, such needs include developing a standard typology for classifying "rural" areas; evaluation of existing federal rural health programs for improvement; information on successful and innovative rural health care models; and better dissemination of research results to policy staff. The author also addresses seven identified topics such as rural hospitals, primary care and emergency medical systems, alternative delivery system, managed care, rural elderly and long-term care, maternal child and adolescent health and rural poor and uninsured. These are the issues which have been dominating the rural health care scene.

Patton, Larry T. *The Rural Homeless.* **Rockville, MD: National Center for Health Services, 1988.** Homelessness is not only an urban problem, it is also a reality in rural America. Rural residents, as a tradition, have disguised the magnitude of the problem of rural homelessness by offering shelters and hospitality to their homeless relatives, friends and neighbors. In other words, the rural homeless preferred self-help and reliance on relatives, friends, and neighbors to the government-supported programs. The rural informal community can no longer shoulder the burden alone. The situation seems to be changing. The rural informal support network has started disintegrating due to farm erosion and other economic crises. The author of this study examines the nature and cause of homelessness in rural areas together with a brief review of the rural economy, the nature of the rural environment and rural social service networks as well as medical care utilization by the homeless in the rural areas. He summarizes his observations such as: rural homelessness is essentially an economic problem; the tradition and nature of rural communities obscure the problem of homelessness; the rural economic crisis may increase the public burden of rural homelessness; the rural homeless appear to be slightly younger than their urban counterparts; the ability to access medical care in times of emergency appears to be inadequate; and preventive care is seldom used. The final word from the author is that even a relatively low number of homeless individuals and families may jeopardize the resource base of the rural community.

Purtilo, Ruth B. "Rural Health Care: The Forgotten Quarter of Medical Ethics." *Second Opinion* **6 (November 1987): 10-34.** The author of this article makes an assessment of moral problems in the rural health care setting. She examines several actual cases, and illustrates the ethical concerns of rural health care professionals. While dealing with the ethical issues, she presents a series of interacting forces which she found important in a study of moral problems in the rural setting. Medical ethics, codes and oaths are built on the relationship between health professionals, especially the physicians, and patients. This physician-patient relationship is founded on the interpersonal exchanges generating helpful moral guidelines: the desirability of maintaining patient confidences; the awareness of power differentials, and subsequent need for mechanisms, such as informed consent procedures whereby patients can be assured of respect and autonomy; and the reasonable expectations that physicians will not harm and will act benevolently toward patients. But the modern society expects physicians and other health care providers to protect the common and the patients' good. Therefore, the traditional criteria for judging the moral standards of a good health care provider, although important, are not complete. The existing health care delivery system, with its cost-consciousness, prospective reimbursement plans, and privatization is forcing health professionals everywhere into the business and health policy aspects of their field. Good health care providers are supposed to concentrate all of their powers on their respective professions and not to be involved in politics. As the health care environment has changed, so has the need for medical ethicists to include both perspectives--consideration of the individual patient's needs and an attentiveness to the common good--in their thinking about what morally good health care should be. This point applies to all settings, but it is of crucial importance in rural areas. The major forces, such as changed demographic characteristics of rural residents, an increasing number of farmers working in non-farm jobs, use of sophisticated technology to increase agricultural productivity, and increased economic interdependence between persons on the farm and the business supporting that farm, continue to break down traditional distinctions. The assumption, therefore, that moral problems in the rural health care sector will be related primarily to farm life is not true anymore. The diversity of rural life styles must now be accounted for. Physicians in rural settings are often judged by criteria more relevant to the urban setting. To avoid hateful patients, generally the physician passes the patient from one colleague to another with an understanding that it is one way for the patient to get better care. But most rural physicians have very few colleagues with whom to share the burden of problem patients. Terminating a physician-patient relationship in a remote rural area where a few physicians are available poses a legal hazard for physicians. The rural physician's compassion is challenged constantly because of the relatively few colleagues in the immediate setting. The factor of physical distance is also part of reflection about whether the physician was diligent in providing the best care possible. The author discusses many such ethical dilemmas which rural health care providers face in their practice. Finally, the author states that all people involved with high quality health care must work together to achieve such moral ideals as "justice and benevolence", whether the special problem arises as a special characteristic in the rural or non-rural environment.

Rahn, Gary J. (Ed.). *Hospital Strategies for Contracting with Managed Care Plans.* **American Hospital Publishing.** This publication is an outcome of an effort of the American Hospital Association task force. It presents a conceptual framework for hospital management needed for the development of strategies for working with alternative delivery and financing systems. It identifies such areas of operation like executive management, strategic planning, marketing, legal, clinical service delivery, finance, human resources and related administrative services that affect these systems. The author also suggests priorities for consideration. He recommends consideration of 'managed care' which may assist health care executives in planning and implementing appropriate competitive strategies for contracting with self-insured employers, PPOs, and HMOs. An examination of community census data and the relationship of these data to the hospital's patient mix appears to be essential to implement the contracting approaches.

Richardson, Hila. "The Health Plight of Rural Women." *Women & Health* **12, nos. 3/4 (1987): 41-54.** Poor women generally experience difficulty in obtaining needed health care services mainly due to their poor health conditions and inability to pay. Women in the rural areas have additional difficulties because of their isolation from urban resources like transportation to service locations and wider health care choices. In this paper the author discusses how realities of the rural environment are determining women's health plight and concludes by suggesting that poverty should first be addressed following reorganization of state rural health policy for women.

Roberts, Deborah N., and Paul D. Sarvela. "Community Care Workers in Rural Southern Illinois: Job Satisfaction and Implications for Employee Retention." *Home Health Care Services Quarterly* **10, no. 3/4 (1989): 93-115.** The authors examine factors related to the job satisfaction of the community care workers, as a method of assessing problems related to employee turnover. Data were collected from 393 community care workers who worked with elderly clients in 13 southern-most rural counties in Illinois during 1987. The findings suggest that the majority of workers were satisfied with their job. There were, however, differences in the mean scores of those employed for more than one year. They had significantly lower satisfaction scores than those employed for less than one year. Many of the respondents are of the opinion that people quit because the job was too stressful or frustrating and training was not adequate. The authors recommend pre-service training, opportunities for promotion and a health education program for these workers to cope with the stress of the job.

Robinson, Michele L. "Rural Providers Ask: What's a Hospital?" *Hospitals* **61, no. 23 (1987): 48-52.** The article focuses on the changing health care service delivery in rural areas and assures that innovative solutions are emerging to overcome this situation. Rural providers must cope with social forces, such as a growing elderly population and acute care, just as their urban counterparts. The author also stresses that the oversupply of specialists in the urban areas has provided rural hospitals with the opportunity to make some of these specialists' services available to rural communities. Rural providers are exploring the plurality of solutions to serve the community on the basis of rural needs.

Rosenbach, Margo L., Brooke S. Harrow, and Sylvia Hurdle. "Physician Participation in Alternative Health Plans." *Health Care Financing Review* **9, no. 4 (Summer 1988): 63-79.** The authors of this article examine physician participation in alternative health plans such as HMOs

(Health Maintenance Organization), IPAs (Independent Practice Associations), and PPOs (Preferred Provider Organization), using cross-sectional data from the Physicians' Practice Cost and Income Survey 1983-85. About one-third of the physicians participated in at least one or more plans, ranging from 18% of general practitioners and 46% of specialists. Only 19% received income from prepaid sources, averaging $5,275 per physician. Reasons given for participation or nonparticipation were that the participants most often joined to maintain or increase workload, while nonparticipants mostly declined to join due to lack of independence. The authors also compare rural and urban participation in relation to community characteristics and prepaid income.

Rosenberg, Steven. *The Changing Rural Health Care Delivery System: Development of Alternative Models (Monograph).* **Kansas City, MO: National Rural Health Association, 1989.** Supported under a grant by the Bureau of Health Care Delivery and Assistance, U.S. Department of Health and Human Services, this monograph includes a review of policy options to create alternative models for a changing rural health care delivery system. The author also has discussed the federal and state obstacles impeding such development and recommended five strategies: elimination of urban-rural prospective payment differentials; cost-based system; development of a national transition strategy; creating a new reimbursement category and medicine waiver for the states in certain situations.

Rowland, Diane, and Barbara Lyons. "Triple Jeopardy: Rural, Poor, and Uninsured." *Health Services Research* **23, no. 6 (1989): 975-1004.** A large body of literature shows that the number of uninsured Americans is growing. The lack of insurance retards access to health care resulting in reduced use of services, particularly for those who are poor. The authors of this article review the existing literature on urban and rural differences for the uninsured population and present new analyses supplementing earlier research to determine issues for future research. They discuss the extent of poverty, health status, and use of health services by the uninsured poor, in both urban and rural areas, as well as the scope of insurance coverage for the nonelderly. Finally, they propose an agenda for future research.

Ryan, Barry. "Rural Sewage Treatment Falls Short of Clean Water Goals." *Rural Development Perspectives* **4, no. 2 (1988): 24-28.** Rural areas estimated to have required $20-billion by July 1, 1988 to build sewage treatment facilities to comply with the Clean Water Act. Despite progress made in increasing the availability of sewage treatment, not all rural communities shared this benefit. This study describes sewage treatment needs of rural America. Its sole responsibility lie with state and local governments to rebuild this facility by the year 1995 as set by federal law.

Sarvela, Paul D., Rose Ann Benson, Julie K. Doridge, and W. Russell Wright. "A Drug Education Needs Assessment: Results and Recommendations." *Uniwelt und Gesundheit* **5 (1988): 35-40. Köln.** This study presents the results and recommendations of a comprehensive needs assessment survey conducted in southern Illinois in the Spring of 1988. Data were generated from 1281 students, parents, teachers, and community members. Findings indicate that drug use of students increased as age increased. A sizeable number of students, 22% of the K3 grade, 68% of the 4-8 grade, and 82% of the 9-12 grade had tried or used alcohol. In the school system, alcohol was considered the number one drug problem. Hard drugs, however, were considered least problematic in this population. All educators, parents and community members felt a need for a comprehensive drug education program in their schools with certified health educators as the most preferred (84%) person to offer the program.

Sarvela, Paul D., and E. J. McClendon. "Indicators of Rural Youth Drug Use." *Journal of Youth and Adolescence* **17, no. 4 (1988): 335-47.** The authors examined the relationships between personal substance use, health beliefs, peer use, sex, and religion. Data were collected from 265 middle school students in rural northern Michigan and northeastern Wisconsin in January and February 1984. Findings showed a positive correlation between peer and personal drug use together with a relationship between health beliefs and personal substance use. In a regression model health beliefs and personal substance use accounted for a statistically significant amount of the variance of alcohol, marijuana, and cigarette use in the target population. The study concludes with recommendations concerning future research, improved health education program development methodology and providing psychotherapy in the possible target areas among the youth population.

Sarvela, Paul D., Deborah Jenkins Pape, Justine Odulana, and Srijana M. Bajracharya. "Drinking, Drug Use, and Driving Among Rural Midwestern Youth." *Journal of School Health* **60, no. 5 (1990).** The study examines the prevalence and predictors among high risk groups of two drinking under the influence (DUI) behaviors: driving after drinking or using other drugs, and riding in a car with a drinking driver. Data were collected from 3,382 junior and senior high school students in central and southern Illinois. The findings confirm that drinking, drug use, and driving increased consistently with age; 42% of the 12th grade class indicated that they have driven a car at least one time in the past six months after drinking or using other drugs. Riding with a drinking driver also increased with age. Correlation analyses indicated 22 variables related significantly to drinking, drug use, and driving. The study concluded that DUI constitutes a major public health problem among rural junior and senior high school student populations.

Sarvela, Paul D., Paul R. Newcomb, and Eliza Ames Littlefield. "Sources of Drug and Alcohol Information Among Rural Youth." *Health Education* **19, no. 3 (1988): 27-31.** This study identifies rural youth sources of drug and alcohol information to determine baseline information for the development of appropriate rural drug and alcohol abuse prevention programs. It is based on 622 samples collected from junior and senior high school students in rural northwest Ohio in May 1985. The survey instrument was based on program objectives outlined by school authorities in identifying the extent to which drugs and alcohol were problems in their schools. The study conflicts with some of the previous studies and confirms that the media, the family and close friends are important sources of drug and alcohol information. The authors recommend further studies with a more geographically dispersed sample, covering both rural and urban conditions for more generalizable results.

Sarvela, Paul D., Deborah Jenkins Pape, and Srijana M. Bajracharya. "Age of First Use of Drugs Among Rural Midwestern Youth." *Human Services in the Rural Environment* **13, no. 3 (1990): 9-15.** The authors of this paper identify the age of first use of eight substances (i.e., alcohol, chewing tobacco, smoking tobacco, marijuana, stimulants, depressants, inhalants, and cocaine) among the youth of rural Illinois. Data was collected in 1987 from 3,907 junior and senior high school students in rural central and southern Illinois. The authors found that males consistently tried drugs before females. Alcohol had been tried by 19.8% of the male students and 11.9% of the female students in the 4th grade. Of the 12th grade sample, 7.8% had tried chewing tobacco by the 4th grade and 10.7% of the 7th grade sample had tried it by then. In conclusion, the authors stress that all these findings support drug education programs in rural junior and senior high schools.

Sarvela, Paul D., and John R. Moore. "Nursing Home Employee Attitudes Toward AIDS." *Health Values* **13, no. 2 (1989): 11-16.** The authors of this study examine nursing home employee attitudes toward AIDS and AIDS-related issues. It is based on data collected from 343 employees from 13 nursing homes in rural small towns in southern Illinois during the spring of 1988. As indicated in the findings, a large majority of the employees had negative attitudes toward people with AIDS. The health workers (51%) also stated that they should be able to refuse working with patients with AIDS. Another 46% felt that hospitals and nursing homes should also be able to refuse admission of patients with AIDS. The authors discuss educational strategies to reduce these negative employee attitudes as well as policy development issues for nursing home administrators.

Schleuning, Dianne, George Rice, and Roger A. Rosenblatt. *Addressing Barriers to Rural Perinatal Care: A Case Study of the Access to Maternity Care Committee in Washington State.* **Rural Health Working Paper Series, Vol. 1, No. 5. Seattle, WA: WAMI Rural Health Research Center, University of Washington, 1989.** In response to the decline in obstetrical services in rural areas in recent years, due to withdrawal of such practices by the rural

BEST COPY AVAILABLE

physicians, Washington State established the Access to Maternity Care Committee (AMCC). This is an ad-hoc committee composed primarily of private obstetrical providers and state government representatives responsible for health care delivery to women and children. The main purpose of the AMCC is to improve access to obstetrical services for socially vulnerable rural as well as medically indigent women. The committee appears to be effective in serving as a forum group to resolve many administrative gaps between private obstetrical providers and the state's Medicaid program. It also serves as an advocacy group in persuading legislative action to improve the rural obstetric care provision.

Shaughnessy, Peter, W., Robert E. Schlenker, and Herbert A. Silverman. "Special Report: Evaluation of the National Swing-bed Program in Rural Hospitals." *Health Care Financing Review* **10, no. 1 (Fall 1988): 87-94.** A swing-bed demonstration and evaluation program for rural hospitals was undertaken by the Health Care Financing Administration (HCFA) in the 1970s substantiating the cost effectiveness of providing long-term care in small, rural, acute care hospitals. As a result, the Omnibus Reconciliation Act of 1980 authorized the national swing-bed program, allowing rural hospitals with fewer than 50 beds to provide Medicare- and Medicaid-covered swing-bed care. Upon a congressionally mandated evaluation, the program was found to be cost effective. The authors summarize the HCFA's report and make recommendations to the Congress, supporting the program for continuation. The OBR Act of 1987 extended the swing-bed program in rural hospitals with up to 100 beds.

Skiendzielewski, John. J., and David J. Dula. "The Rural Interhospital Disaster Plan: Some New Solutions to Old Problems." *Journal of Trauma* **22, no. 8 (1982): 694-97.** Rural areas are not immune to multi-casualty incidents. The authors of this article report on the complete rural EMS System, including a detailed plan to deal with it. The Susquehanna Valley Health Care Consortium located in North Central Pennsylvania was selected with this idea in mind, and addresses points pertinent to the rural setting including the large area served, available medical care, prehospital transport, and communications. Six hospitals in five counties participated. The authors identify the following approaches to problems which emerged after the field tests: (1) successful triage and resuscitation by the participants; (2) crowd and traffic control by police; (3) an overall commander to have full charge; (4) two-way communication by several methods; (5) an administrator to track all victims; (6) air evacuation capability.

Stambler, Howard V. "The Area Resource File—A Brief Look." *Public Health Reports* **103, no. 2 (1988): 184-88.** This article provides an overview of the Area Resource File developed in the 1970s by the Bureau of Health Professions (BHPr) of the Health Resources and Services Administration (HRSA). The ARF is a county-based computerized data system. It consolidates a large number of data into a consistent up-to-date, and compatible form. It is a compilation from more than 200 data sources for assessing the nation's health care resources. It has been maintained in the Office of Data Analysis and Management at Rockville, MD.

Steel, Jean E. *"Recent Developments in Home Patient Care."* **In Financing Rural Health Care, edited by LaVonne Straub and Norman Walzer, 99-111. New York: Praeger, 1988.** The author of this article reviews current developments in home patient care and examines the availability of organizational changes and services. Home health care as a health care delivery service played an important role in the past and may play an even more important role in the future. Recent changes in reimbursement covering the cost of traditional health care have led older persons to stay at home for recovery. These recipients of health care services may or may not need institutional care, but must need regular visits by practitioners to monitor their progress and to provide further medical services. Home health care for the aging rural populations can be affordable in the event of allowing them to remain within their communities. The author discusses criteria required for organizations providing such care. Of the viable innovating services for rural communities, extension of nurse-managed services, public health nursing departments, and hospital-based extensions are reviewed.

Stombler, Robin E. "Rural Health Care: A Growing Government Concern." *American College of Surgeons Bulletin* **74, no. 9 (1989): 24-25.** The author describes the recent concern of the

U.S. Government policy makers relating to the state of rural health care and particularly due to limitation of access of the rural residents of America to quality health care. The main reasons for this limited health care are perhaps due to urban-rural differentials in Medicare payments to physicians and hospitals, shortages of professionals in some rural areas, rural hospital closings due to decreasing numbers of patients, increased numbers of uninsured poor, elderly populations and elimination of obstetric care due to rising cost of malpractice insurance premiums. The author also recommends aggressive congressional and federal initiatives and an agenda directed toward improving the current status.

Straub, LaVonne A., and Norman Walzer, (Eds.). *Proceedings of Partnerships for Rural Health Care: Access and Strategies.* **Macomb, IL: Illinois Institute for Rural Affairs, Western Illinois University, September, 1988.** This publication contains the proceedings of the Partnerships for Rural Health Care Conference held in Collinsville, April 6-8, 1988. "Partnership", the theme of the conference, focused on the need for state and community agencies to work together in identifying rural health care access issues, concerns and opportunities together with improvising strategies to improving access. These proceedings include a summary of the recommendations which had emerged in the course of workshop discussion.

Straub, LaVonne., and Norman Walzer. *Financing Rural Health Care.* **New York: Praeger, 1988.** The main concern of this volume is to examine the declining rural health care delivery system and generate ideas and suggestions which may help revamp the situation. Most of the chapter articles tend to suggest restructuring and managing finance by local resources to stabilize the rural health care system. Local health providers, planners, as well as the residents, must have information about hospital strategies, and non-hospital options for care, coordinated options (HMOs), legislative changes and availability of financing to enhance health care programs. This book is a collection of many articles, focusing on five major issues such as shifting of rural health care needs, trends in rural health care delivery, increasing services with existing local resources, alternative financing and the future prospects. Most of the chapters in this publication were presented at a conference in 1987 on financing rural health care in the form of papers by the professionals and leaders in the field. These chapter articles are cross-referenced in this book.

Stults, Kenneth R., Donald D. Brown, Vicki L. Schug, and Judith A. Bean. "Prehospital Defibrillation Performed by Emergency Medical Technicians in Rural Communities." *The New England Journal of Medicine* **310, no. 4 (1984): 219-23.** Survival rate after out-of-hospital cardiac arrest is poor in communities served by basic ambulance services. But the data suggest that the rate of survival is significantly higher in such rural communities where ambulance technicians were trained to defibrillate. The study concludes that early defibrillation by minimally trained ambulance technicians is an effective approach to deal with emergency cardiac care in rural communities.

Tauke, Thomas. "Representative Tauke Tackles Rural Health Care Problems" [interview by Susan Bibisi]. *Hospitals* **61, no. 14 (1987): 68-69.** Since the advent of Medicare's prospective pricing system in 1983, Representative Tauke has been involved in rural health care. This interview presents an overview of the emerging importance of rural health care issues in the congressional debates following creation of an Office of Rural Health Care. Representative Tauke explains the need for such a coalition with an exclusive focus on rural health care issues.

Tierney, Kathleen, J., and Barbara Baisden. *Crisis Intervention Programs for Disaster Victims: A Source Book and Manual for Smaller Communities.* **DHHS Publication No. (ADM) 83-675. 1979. Reprint. Rockville, MD: National Institute of Mental Health, 1983.** This monograph has been prepared following the interest in the delivery of emergency mental health services to residents of disaster-stricken communities. It provides knowledge from a theoretical level as well as from a practical level assisting personnel on the state and local levels in planning and implementing disaster-based mental health programs in an organized and effective manner. The authors recommend post-disaster mental health programs, based on systematic research findings. They also take into account the characteristics of the smaller community in perspective.

Touche Ross and Company. *U.S. Hospitals: The Next Five Years.* **New York: Touche Ross and Co., 1986.** This report summarizes the findings of a Touche Ross survey of 1,200 hospitals in the United States. This number amounts to one-fifth of all hospitals. The survey considers such issues as the predicted failure rate of hospitals, a ranking of the various issues facing hospitals, competition with HMOs, joint-venture agreements, multi-hospital systems, quality of care, and the relationship between size and average daily cost. According to the report, many hospitals are at risk of closure. Forty-three percent of the sample felt they would be at risk of failure in the next five years, and most respondents felt that the rate of closures would be between 5%–10%. The most important issue facing all hospitals was said to be the cutbacks in federal programs. In addition, the findings show that 60% of the hospitals with 400 beds or less have had a decrease in operating income.

United States Congress. Office of Technology Assessment. *Rural Emergency Medical Services—Special Report, (OTA-H-445).* **Washington, DC: U.S. Government Printing Office. November 1989.** This Report is the second paper prepared by OTA upon request of the Senate Rural Health Caucus. The state Emergency Medical Services (EMS), as indicated in this report, are fragmented and lacking resources to remedy EMS problems in the rural areas. EMS programs in the rural area lack specialized personnel, transportation and communication equipment and neither are they part of a planned regional system. The report describes the availability and distribution of EMS resources and examines the limited federal resources to improve the rural EMS. The report notes how federal EMS resources may be directed to states' rural areas.

United States Congress. Office of Technology Assessment. *Adolescent Health Insurance Status: Analysis of Trends in Coverage and Preliminary Estimates of the Effects of An Employer Mandate and Medical Expansion on the Uninsured—Background Paper.* **Washington, DC: U.S. Government Printing Office, July 1989.** This background paper (the main report will be released in 1990) addresses the health insurance status of adolescents, aged 10 to 18 years. Approximately 4.6 million adolescents (15%) were without public or private health insurance coverage in 1987. As regards socioeconomic characteristics of uninsured adolescents, most adolescents of this age group live with their parents. The problems of uninsured adolescents are largely the problems of uninsured parents. Family income is the most important determining factor of health status for all age groups. The poor are the most likely to be uninsured. Forty-one percent of uninsured adolescents live below the federal poverty level. Adolescents whose parents have little formal education, regardless of income level, are much more likely to be uninsured than adolescents whose parents have had more education. The proportion of adolescents without health insurance increased from 16.7% to 20.8% from 1979 to 1986. The paper indicates that inner-city and rural adolescents are more likely to be uninsured than those who live in suburban areas. It also includes the estimated effects of two proposals to reduce the number of uninsured adolescents: "Employer Mandates" which require employers to offer group health insurance; and an expansion of Medicaid eligibility to adolescents below certain income levels.

United States Congress. Senate Hearings. *Crisis in Rural Health Care.* **(S. Hrg. 101-480). Washington, DC: U.S. Government Printing Office, 1990.** This publication compiles statements by the Committee Members, documents and articles presented by the witnesses as well as statements by the state and community health agencies. This hearing was presented before the Senate Budget Committee and presided over by the Honorable Senator Kent Corrard. Discussed are issues and concerns regarding rural hospital closures, shortage of personnel, transportation and contrasts with urban situations.

United States Congress. House Select Committee on Aging. *The American Rural Health Care System: What should It Be, and How Do We Sustain It?* **(Comm. Pub. No 100-636). Washington, DC: U.S. Government Printing Office, 1987.** This publication compiles a joint hearing before the House Select Committee on Aging and its Task Force on Rural Elderly. The purpose of this hearing was to examine the special health care problems faced by rural Americans, especially the elderly and poor, for Federal and State policy reconsiderations. The hearing explored the current status of rural health care, its shortcomings and responsibilities of the federal, state, and private sectors in developing and sustaining the appropriate rural health care.

United States Congress House Committee on Veterans' Affairs. Subcommittee on Hospitals and Health Care. *Impact of Budget Shortfalls on the Delivery of Health Care to Rural Veterans. (Serial No. 100-62).* **Washington, DC: Government Printing Office, 1989.** This publication contains various concerns regarding the financial hardships the rural veterans' hospitals have been facing since the mid-1980s. Due to increased uses of VA care and the rising costs of running Veterans' Administration Medical Centers, the funding appeared to be inadequate. A nationwide federally sponsored survey also highlighted other issues, besides financial difficulties, i.e., recruitment of health care personnel, replacement and acquisition of new of outdated equipment, and maintenance of VA hospital buildings. Various witnesses presented their difficult experiences relating to hospital closing, closures of surgical units, shortages of nursing staff, and other related issues.

United States Department of Health & Human Services. *Young Physicians in Rural Areas: The Impact of Service in the National Health Service Corps: Survey of Factors Influencing the Location Decision and Practice Patterns.* **Springfield, VA: National Technical Information Service (ODAM Report No. 4-86) (Vol. 2), 1986.** This volume presents the results of the Fall 1984 survey from a sample of primary care physicians who graduated between 1974 and 1978 and located themselves in rural counties. The mission of the National Service Corps is to improve the health care delivery in the health care shortage areas by appropriate placement of health professionals and other related health resources. This study revealed that young physicians select counties with high population, health resources, presence of a college and greater white collar employment and less farm population.

United States Department of Health & Human Services. *"Office of Rural Health Policy."* **Rockville, MD: Office of Rural Health Policy, October 1989.** This unpublished document presents a description of the Office of Rural Health Policy, and its status. An appropriation of $1.4 million has been made available through one of its programs, the rural health research centers, to support the activities of the National Advisory Committee on Rural Health. The document also reports on its National Advisory committee, public representation, medical activities, interagency coordination and information dissemination.

United States Department of Health & Human Services. *Young Physicians in Rural Areas: The Impact of Service in the National Health Service Corps: Country Characteristics .* **Springfield, VA: National Technical Information Service. (ODAM Report No. 3-86) (Vol. 1), 1986.** This publication is based on a study initiated by the Public Health Service in September 1983 to find factors influencing the location and practice patterns of young physicians who recently settled in rural areas. The information was needed to develop basic data on all young doctors in rural areas. This volume provides characteristics of the rural counties selected by all primary care physicians who graduated from medical schools between 1974 and 1978. This study builds upon the results of a previous study titled "Evaluation of the Effects of National Health Service Corps Physician Placements Upon Medical Care Delivery in Rural Areas."

United States Department of Health and Human Services. Office of Rural Health Policy. *Rural Health Resources Directory.* **Compiled by the National Rural Health Association. Washington, DC: U. S. Government Printing Office, 1989.** This directory includes federal, national and state organizations; offices of rural health; hospital associations; rural health research centers, and many other resources. It includes various listings organized by state within each category. These are indexed by state and type of organization.

Vinal, Donna Frede. "Interdisciplinary Health Team Care: Nursing Education in a Rural Health Setting." *Journal of Nursing Education* **26, no. 6 (1987): 258-59.** The author provides a description of a unique and successful nursing educational opportunity in interdisciplinary health team care. The concept of this team care emerged from an experience of the Institute of Latin

American Concern (ILAC) since its inception in 1978. The author examines the existing program and notes adaptive changes fitting rural America for program improvement. It focuses on the program's selection process, team formation, and maintenance and methods of meeting the goals and the implications for nursing education.

Watson, Angie. "Health Improvement." *Illinois Issues* **16, no. 5 (1990): 8-9.** The Illinois Department of Public Health has designated 67 of the 102 counties of Illinois as rural. About half of them are considered federal health manpower shortage areas. Pregnant women in some of the southern Illinois areas such as Metropolis, Harrisburg, Eldorado and Cairo may have to drive 50 to 80 miles to avail themselves of the services of the nearest obstetrician for prenatal care. The pregnant women may have to drive the same distance to receive the services of an obstetrician at the time of delivery because the local emergency may not entertain them for the delivery of the babies due to increased malpractice insurance costs. Eighteen counties of southern Illinois lack obstetricians. Costly malpractice insurance has caused many rural hospitals and obstetricians to discontinue delivering babies. The Rural Health Task Force, however, recommends 40 steps to address rural health problems. The major recommendations include federal or state subsidized clinic operations or physician malpractice insurance. The author also emphasizes the fact that key to any program's success is local involvement regardless of urban or rural areas.

Wilk, Valerie A. *The Occupational Health of Migrant and Seasonal Farmworkers in the United States (second edition).* **Washington, DC: Farmworkers Justice Fund, Inc., 1986.** Health research concerning migrant and seasonal farmworkers in the United States is limited. Much of the existing data is difficult to obtain because it is either unpublished, out-of-print or uncatagorized. However, using some of these resources, the author of this report examines farmworkers' health data gathered over the past 10-15 years. She also describes ongoing research, discusses the laws and proposed legislation and regulations, at state and federal levels, that deal with farmworkers' occupational health and safety and presents recommends for future research and program priorities. This report is particularly designed to be a resource document. The occupational health problems of the migrant and farmworkers covered in this report include: communicable disease, urinary tract infections/kidney problem, heat stress, pesticide-related illnesses, dermatitis, eye problems, musculoskeletal problems, accidents, noninfectious respiratory diseases, cancer, hazards for children in the fields and hazards for pregnant women or the newborn. The author also covers other major problems, such as, diabetes, hypertension, nutritional deficiencies and violence as well as alcoholism and drug abuse. The general findings are: farmworkers suffer health problems due to poor sanitation, overcrowded living conditions, drinking water, poor medical treatment, chronic pesticide poisoning, for example. The author recommends improvement of coordination and communication among agencies at the national, state and local levels that serve farmworkers, assigning funding priority to preventive health, and promoting collaborative efforts and comprehensive programs for overall improvement of these conditions.

Williams, Albert P., William B. Schwartz, Joseph P. Newhouse, and Bruce W. Bennett. "How Many Miles to the Doctor?" *The New England Journal of Medicine* **309, no. 16 (1983): 958-63.** Due to inappropriate data, past research efforts on medical manpower failed to answer the question on the distance which physicians in rural communities cover to provide services to their patients. Using detailed information from 16 states, the authors attempted to determine the distance residents of nonmetropolitan areas actually travel to receive medical care. It found, in both 1970 and 1979, that an insignificant number of people live very far from a physician and the distances that rural and small-town residents must travel to see a specialist have decreased. However, this improvement may not be adequate enough to meet the medical needs for the geographically and economically underserved groups.

RURAL LOCAL GOVERNMENT

James M. Banovetz and **Drew A. Dolan**
Northern Illinois University **Western Michigan University**

The Imminent Demise of the Rural Government

Rural local governments are in danger of disappearing from the cognitive map of the United States. Except as historical curiosities, rural communities and their governments receive scant notice from the popular press, little attention from state and national political leaders, and virtually no attention from scholars. In Illinois, for example, all five of the state's dominant political leaders live in the state's two largest urban counties and the Democratic Party did not even bother balancing its 1990 gubernatorial ticket between Chicago and downstate regions.

The absence of scholarly attention is well demonstrated by the entries in this bibliography; little has been done in the field of local government since 1980 - Lawrence J. R. Herson's *Lost World of Municipal Government*, first identified in 1957, is still lost, especially in rural areas.

The literature, whether produced by scholars or by the professional staffs of government agencies, talks about local government, but in almost all cases is predicated upon, or written for, local governments in urban areas. The distinctiveness of rural governments, and especially small rural governments, is all but ignored by contemporary analysts and commentators. Readers wishing to gain a deeper understanding of the importance of meeting this need are referred to Murray's (1981) *Microstates: Public Administration for the Small and the Beautiful.*

In his article, Murray discusses the failure on the part of public administration literature to differentiate between the small and the large community. All too often the results of analyses of situations as they exist in large communities are assumed to be able to be overlaid upon small communities. Murray argues that attention should be given to research concerned with small units (microstates) as a constructive attempt at coping with problems of small units. This is particularly true for the topics of management services and fiscal health, topics in which small and rural governments are most likely to have distinctive and unique characteristics, problems, and concerns.

The Trends in the Literature

There are exceptions to this generalization. There has been, in the last several years, a small but notable increase in published literature looking at rural poverty. There is clearly a greater concern for environmental issues, especially issues involving recycling, energy management, and landfill siting. Perhaps most hopeful, however, is an increase in the calls being issued for the development of scholarly institutes focusing on the special and unique problems of rural areas. The Illinois Institute of Rural Affairs at Western Illinois University has been Illinois' response to these calls. Such institutes offer hope and promise for a future in which American thought and politics are again sensitized to the grassroots communities in rural America.

A Research Agenda

The agenda of research needs facing such institutes is imposing. Heading that agenda, and certainly in dire need of attention, are the problems posed by rural America's loss of political influence and representation. That loss, brought initially by the one person-one vote principle established in 1964 by the United States Supreme Court, was originally intended to improve the balance of political power between urban and rural America. This imbalance which marked the first 60 years of the twentieth century has been rectified. Now, however, each decennial census brings reapportionment, and each reapportionment further diminishes rural political influence. Rural states lose congressional representation to urban states; rural counties lose state legislative representation to urban counties; and rural neighborhoods lose representation on county boards to city and suburban neighborhoods.

Of the three loses, the latter is perhaps the most severe: rural neighborhoods receive most of there services from county government while city neighborhoods receive most of there services from city or suburban governments, yet increasingly these city and suburban neighborhoods control the county governments upon which rural residents depend for basic health, safety, highway, environmental, and land use services. In a very real sense, the one person-one vote principle is taking from rural residents their control over their own primary local government -- and this loss has to date gone unnoticed in the American popular and scholarly press.

There are other unique problems facing the small governments of rural America that have been similarly overlooked. There is, for example, much written in the field of economic development, but little of it looks at economic development from the perspective of the small, rural community for whom economic development means a struggle to keep the local hardware and drug stores in business. Nothing is written about economic retrenchment; about how a community evolves from a self-sufficient farming center with stores and offices to a bedroom enclave of some larger neighbor; about how such a community manages to survive as its people age, as its stores and offices are boarded up, as its homes deteriorate, and as its schools are consolidated and closed.

In too many service delivery cases, too, the problem identified earlier by Murray is all too evident: the problems of local government have been studied from an urban perspective, with the proposed solutions superimposed upon rural areas without regard to the uniqueness of the latter. The problems of zoning, for instance, are different in the rural community being impacted by spot subdivision development from an adjacent, expanding urban center than they are in the rural community being impacted by a near-by interstate exit ramp or in the rural community facing a complete absence of any development pressures at all. Yet these differences are not noted in the literature, and especially are not discussed within the unique constraints and concerns facing governments in rural areas.

Service delivery, too, is different in small rural communities in which sparse population poses unique problems in financing services, developing cooperative arrangements for service delivery with other adjacent governments, or securing the services of professional staff help. The International City Management Association, decades ago, developed the circuit rider concept as a mechanism for making professional services available to rural communities; the most recent publication dealing with this still largely untried concept was written in 1978.

Of all the local problems, however, the one that clearly is the most vexing, and about which the scholarly and professional literature is almost silent, is the problem of local tax resources for the rural community. The solution to all local government problems ultimately has its roots in the availability of fiscal resources; fiscal resources are the one commodity hardest to find in a neighborhood experiencing high levels of poverty and low levels of growth -- the experience most commonly endured by most of the nation's small rural communities.

The Bibliography

Despite these shortcoming, there is a literature that does deal, with varying degrees of adequacy, with the governmental problems facing small rural communities. The following bibliography presents a survey of that literature. Although a limited number of the pieces included in the bibliography predate 1980, the majority have been written after 1980. The primary purpose of including works written after 1980 is to present a current view of rural local government that will be of assistance to policy makers as they consider the shape that rural local governments are to take in the remainder of this century and on into the 21st century. The bibliography has been divided into four major categories: (1) *Government Capacity and Viability*; (2) *Fiscal Status of Rural Local Government*; (3) *Management of the Rural Community*; and (4) *Environmental Concerns*.

The bibliography is by no means meant to be a comprehensive review of the literature, but rather a selective sampling of the literature available in each of the above mentioned areas. To be noted is a general lack of literature concerned specifically with rural communities. Such an absence indicates a definite need for the generation of studies and literature pertaining to local government in rural communities.

The *Government Capacity and Viability* section of the bibliography has been divided into three subsections: (1) *Structure of Local Government*; (2) *Changes Impacting Upon Rural Local Governments*; and (3) *Mandates and Their Impact*. The articles included in the first subsection, *Structure of Local Government*, are concerned with the structural form of county and municipal governments; the restrictions placed upon those forms; sources of power and authority; and prospects for future reform. Literature included in the second subsection, *Changes Impacting Upon Rural Local Governments*, is concerned with the myriad of external and internal influences impacting upon rural local governments. The final subsection, *Mandates and Their Impact*, provides literature concerned with the impact that mandates have upon rural local governments and the prospects for relief.

Four subsections have been used to divide the literature included in the *Fiscal Status of Rural Local Government* section of the paper. The first subsection, *Identifying and Coping with Fiscal Pressures*, includes literature concerned with the factors contributing to the fiscal stress being experienced by many rural local governments. *Resource Information for Sound Fiscal Management* is the second subsection and includes articles which will provide various forms of technical assistance to those concerned with the fiscal administration of rural local governments. In the third subsection, *The Revenue Base and Related Factors*, includes articles which examine the revenue base of rural governments; variables effecting that base; and options for altering the revenue base. The final subsection, *Quantitative/Qualitative Examinations*, presents analyses of various factors contributing to the fiscal state of rural governments.

In the *Management of the Rural Community* section of the bibliography the literature has been divided into three subsections. *Professional Management* is the first subsection and includes literature which addresses the need for professional management in rural communities and different methods by which such management may be provided. The second subsection, *The Delivery of Services*, includes literature dealing with the provision of services by rural local governments. The majority of the works discuss how some services may be provided more effectively and efficiently. The final subsection, *The Role of Technology in Local Government*, provides materials addressing how telecommunications and computer technology can assist rural local governments run more efficiently and effectively.

The final section of the bibliography addresses the *Environmental Concerns* of rural local governments. As the nation as a whole has become more environmentally conscious, so too have those concerned with rural local government. This increased concern is in part due to problems created by the rural governments themselves, but also due in part to environmental problems imposed upon rural communities by the ever expanding metropolitan communities. The literature in this section is divided into three subsections: (1) *Energy Concerns* (literature concerned with managing energy in rural governments and making rural communities more energy efficient); (2) *Recycling Efforts* (materials written to assist rural communities in setting up various types of recycling programs); and (3) *General Concerns* (literature examining such environmental concerns as hazardous waste management, groundwater contamination, and waste management.

I. GOVERNMENT CAPACITY AND VIABILITY

A. The Structure of Local Governemnt

Banovetz, James M. and Thomas W. Kelty. "Home Rule: The Aftermath of a Revolution." *Illinois Issues* **11, no. 8-9 (August/September 1985): 52-57.** First in a series of four articles concerned with the issue of home rule. The series presents the results of a comprehensive study of Illinois municipal home rule undertaken by the authors. The articles examine such areas as the history and current status of home rule in Illinois; home rule's experience with the legislature, the courts, and local electorates in Illinois; and empirical practical analysis of the tax borrowing practices of all Illinois cities and villages over 10,000 population; and experiments with home rule. The three other articles in the series are : "The Watchdogs of Home Rule" (October 1985); "Debt, Taxes and Home Rule" (December 1985); and "Home Rule: Renewing Trust in Local Government" (May 1986).

Banovetz, James M. and Drew A. Dolan. "Local Government Capacity and Viability." Center for Governmental Studies Working Paper, Dekalb, IL: Northern Illinois University, 1986. The article discusses the ability or rural local government in Illinois to design and implement programs needed to resolve community problems and to improve the quality of community life, as well as the government unit's ability to function as a significant force in addressing community concerns. To gain an understanding of the capacity and viability of the governmental units the authors examine such variables as: local government legal authority; quality of local leadership; the structures taken by the governments; available fiscal resources; economic conditions; the behavior of other adjacent local governments; community history; and voter expectations. The article also examines alternative courses of action that can be taken to improve the capacity and viability of local governments. These alternatives include: (1) increasing local government legal authority through extending home rule powers to all municipalities and counties, enacting legislation to abolish Dillon's Rule, and a review of all local government law to abolish unneeded or unnecessarily restrictive language; (2) increasing the quality of local government leadership through leadership training, supply of technical information and technical assistance, inducements to encourage professional administrative talent, administrative training and development programs, and provision of circuit rider and range rider programs; (3) improving the structure of local government through the formation of a state wide commission to review available structural alternatives and inducements to encourage modernization of structure; and (4) improving the fiscal resources available to local governments.

Bonner, W. S. and R. K. Middleton. "Regional Communities Revisited." In *The Small City and Regional Community,* **Volume 5, 310-17. Stevens Point, WI: Center for the Small City and Regional Community. 1982.**

Brammer, Dana B. "County Government in the United States." *Public Administration Survey* **25 (January 1978): 1-4.** A brief discussion of the forms of government, organizational structure, and service functions existing in county governments throughout the United States is presented in this article.

Bryson, John M. and William D. Roering. "Initiation of Strategic Planning by Governments." *Public Administration Review* **48, no. 6 (November-December 1988): 995-1004.** In spite of the theoretical merits of strategic planning, normal expectations must be that the use of strategic planning in government to produce fundamental decisions and actions will not succeed. A study followed the initiation of strategic planning by 8 governmental units in the Twin Cities metropolitan area of Minnesota. The initiation of strategic planning for many governmental units involves the following series of activities: (1) gathering the key actors, (2) working through a strategic thinking and acting process, and (3) setting priorities for actions and generating those actions. Although conceptually simple, these activities are difficult to implement because strategic planning is more likely to succeed in units that have effective policymaking boards, strong process sponsors, good planning teams, and flexibility and experience in handling crises.

Buttress, Steve. "Regionalism--A Road to Rural Renaissance." *Economic Development Review* **7, no. 3 (Summer 1989): 24-6.** The article examines those factors causing unprecedented stress for many rural communities. Included in the article are discussions of: (1) declining international demand for commodity food products; (2) high agricultural production costs; 3) reduced labor demands of high technology agriculture; and (4) the increasingly sophisticated demands of industry related to quality-of-life factors. Several models designed to address these problems have been proposed and are being implemented in numerous communities throughout the rural US. The new look is inward, and the new tools are knowledge and information, networking, and visioning processes that tap and channel citizen energy. In Buffalo County, Nebraska, a countywide development council was formed, funded by county government, city, and chamber contributions. The council's activities include professional development services to small communities, an inventors club, recruitment, and leadership training. The Nebraska Legislature is implementing a strategic planning process that has involved hundreds of citizens in defining their preferred future for the state.

Duncombe, Herbert Sydney. *Modern County Government.* **Washington, DC: National Association of Counties, 1977.** A review of modern organization, functions, financing, and intergovernmental relations in county government. The text emphasizes the modernization of county government and changes in governing structures and the delivery of services. The analysis of county government is conducted on a comparative nation wide basis through the use of secondary data. The text attempts to provide an overview of the 3,042 counties existing in the United States. To provide this overview the author pulls together data from such sources as the United States Census, statistical reports from various government offices, surveys conducted by others, and various government reports. Duncombe's analysis provides an excellent introduction to counties on a nationwide basis. Examined are such areas as the various structures of county government; the problems they face; the services they deliver; and their place in the provision of local government. Although not comparing the counties on a cross-national basis, the work does examine counties based on such variables as the degree of urbanization, population size, land area, services provided, revenues and expenditures, and geographic location.

Fine, Michael. "The Independence of the City: The Legal Constraints on the Tradition of Home Rule." In *The Small City and Regional Communit,y* **Volume 8, 91-8. Stevens Point, WI: Center for the Small City and Regional Community, 1988.** Provided is a discussion of the use of home rule by local governments and the restrictions placed on that usage by the courts. Calling it the "myth of home rule," the author argues that although theoretically home rule provides a community with the ability to exercise sovereign power to determine its own priorities and practices, limited only to those restrictions similarly placed on state by the national Constitution, the courts continue to reiterate Dillon's rule that cities are "creatures of the state" and are strictly limited to the exercise of delegated power, and restricted by what is not delegated. In examining the use of home rule in the case of Eau Claire, Wisconsin's Public Officer Safety Program, the author found that the home rule provision means little in solving conflicts between state and local governments and may be withdrawn by constitutional amendment. Home rule is viewed by the court simply as a designated power to be denied whenever there is "fair and reasonable" doubt concerning the existence of power. Outside of the court, home rule may invite the legislature to specify broad areas of self-government and may invite cities to act without the normal constraints placed upon cities. However, when challenged in court, cities remain "creatures of the state" and may not exercise powers unless those powers are expressly granted or implied by those expressly granted.

Gabris, Gerald T. and William A. Giles. "Prospects for Administrative Development: A Case for Rural County Government." *Southern Review of Public Administration* **3, no. 1 (June 1979): 70-89.** A study was conducted among rural Mississippi county government to explore whether rural county governments in general will adopt a professional administrative process in the near future, whether such administration is related to the size and wealth of the county population, and whether public policy behavior in counties using more professional administration varies greatly from other counties. It was found that as county wealth increases, the trend to hire professional administrators does not increase. However, the tendency to hire grant administrators does increase. County wealth and population also do not account for varying public policy practices. Administrative skills have had the greatest impact in the area of obtaining federal grants. To help upgrade professional administration in rural county government, more formula-type grants should be awarded by the federal government, and it should be required that a higher percentage of these funds be directed to less popular areas.

Giles, William A., Gerald T. Gabris, and Dale A. Krane. "Dynamics in Rural Policy Development: The Uniqueness of County Government." *Public Administration Review* **40, no. 1 (January/February 1980): 24-28.** An examination is made of the types of counties that are likely to utilize contemporary administrative techniques in their struggle to solve public problems. The analysis touches on the issue of whether or not the administrative development is significantly related to the policy of local government. In urban environments, there exists a causal relationship between affluence and administrative professionalism; the question considered here is whether this relationship applies to rural governments. A survey was conducted among 82 Mississippi rural counties, the results of which indicate that increases in the affluence of counties do not stimulate greater countenance among officials for administrative reorganization. There is little attitudinal support for reforms geared toward administrative professionalism but wealthier counties are more future-oriented. Until the economic resources of counties are elevated substantially, it is unlikely that changes in the subjective realm of county officials or in the administrative organization of county governments will take place.

Herbers, John. "17th Century Counties Struggle to Cope with the 20th Century Problems: The Voters Won't Eliminate the Hodgepodge of Jurisdictions Within Their Borders, Counties Are Trying Other Avenues to Efficiency." *Governing* **2 (May 1989): 42-49.** The article is concerned with the delivery of services by county governments. Included by the author is a discussion of the structure of local government in Mississippi, Tennessee, and Florida.

Johnson, Rebecca. "The Vultures Were Circling, But Susan Sorrella Wouldn't Let Her Little Desert Town Die." *People Weekly* **32 (August 14, 1989): 79-81.**

Kelty, Thomas and James M. Banovetz. "Illinois' Experiment for Tomorrow's Government." *Illinois Municipal Review* **(March 1985/December 1985).** This article is the first in a series of eight articles written by the authors for the *Illinois Municipal Review*. The articles are based upon research undertaken by the authors on the Illinois experience with home rule provisions established by the 1970 Illinois Constitution. The research covers a thirteen year period from July 1, 1971, when home rule in Illinois municipal government first went into effect, through mid-1984. The articles examine the issue of home rule and its impact on local government from a number of different perspectives, including: differences home rule authority may make in the carrying out of governmental duties, how home rule impacts on smaller communities, the effect of home rule on the tax base of a home rule community, using home rule to solve problems facing municipalities, how home rule may advance the effort of economic development, keys in successfully obtaining home rule through referenda, and the record of home rule in the State of Illinois. The titles of the remaining articles are:
***What Difference Does Home Rule Make?** (April 1985)
***Home Rule is Used by Small Communities Too!** (May 1985)
***Home Rule and Taxes: The Ultimate Issue.** (June 1985)
***Home Rule Can Help Solve Problems**. (July 1985)
***Economic Development Advanced by Home Rule**. (August 1985)
***Planning, Leadership, and Honesty Are Keys to a Successful Home Rule Referenda**. (October 1985).
***Success Under Siege: The Record of Illinois Home Rule**. (December 1985).

Kern, Richard. "Rural Counties: Tomorrow's Fastest Growing Locations." *Sales and Marketing Management* **141 (February 1989): 16.**

Kircherr, Eugene. "The Development of Sub-State Regional Districts in Michigan, 1968-1983." In *The Small City and Regional Community,* **Volume 8, 75-90. Stevens Point, WI: Center for**

the Small City and Regional Community, 1988. The author provides an examination of the use of sub-state regional planning and development programs in Michigan. Research for the article was undertaken to determine: (1) the procedures and criteria employed in establishing regional sub-state divisions; (2) state government's influence in the operation of the divisions; and (3) the functional role of the regional divisions. Among the benefits found from the use of such a system included: (1) representatives of local governments, who sat on the regional councils, acquired a better appreciation of a regional approach to planning and development; (2) local government officials learned to work with other local governments in dealing with areawide issues; and (3) a systematic compilation by the staffs of pertinent data on physical and social conditions. The author points out that a major constraint to the systems was a lack of adequate funding.

Litecky, Charles R. and Earl R. Wilson. "Systems Development for Small Governments." *Government Finance* **10, no. 3 (September 1981): 11-17.** This review recommends an approach to computer acquisition for small governmental units from the initial step of assessing information needs through various stages leading to actual systems operations. It is based on a University of Missouri research project that developed a comprehensive guide for small government computer acquisition. Key stages of the approach are: (1) problem identification, including a preliminary information survey, (2) the feasibility study and feasibility report, (3) request for proposals (RFP) preparation, (4) evaluation of vendor proposals and the selection process, and (5) system implementation phase, including final system design, training of personnel, and conversion planning and execution. Many consultants advise that initial applications development be restricted to one or two applications. An adequate record should be kept so experience can be applied again with new applications are undertaken.

Marando, Vincent L. and Robert D. Thomas. *The Forgotten Governments: County Commissioners as Policy Makers.* **Gainesville, FL: The University Press of Florida, 1977.** The analysis relies on the results of a survey of 253 county commissioners in the states of Florida and Georgia. The survey, generated by the authors, attempts to measure the "problems facing their counties and their attitudes about the responses counties should make in solving the problems." The analysis "presents a view of counties as developing organizations, continuing to perform their traditional role as administrative subdivisions of the state, while some of them also are evolving into corporate entities similar to municipal corporations." Provided in the study are two extremely useful tools to those interested in the workings of county government. First, the authors examined and made use of three independent variables they believe play a large role in the actions of county commissioners, amount of urbanization, degree of federal impact, and the state in which the county is located. Second, the authors provided a methodology for classifying policy analysis at the county government level. Policies were classified "according to their relationships to the areas of regulations, public utility services, social and remedial services, measures promoting economic development, and governmental administrative measures."

Murray, David J. "Microstates: Public Administration for the Small and Beautiful." *Public Administration and Development* **1 (1981): 245-256.** The author argues that microstates are often dismissed as peripheral interest and importance, however, their number gives them a growing significance. Symptomatic of this situation is that in the literature of public and development administration the circumstances of microstates have been largely overlooked. Too often the assumption has been made that administrative prescriptions can be applied in states irrespective of their size. Although in practice there has been some degree of improvisation and experiment designed to develop administration in microstates, it is often criticized because it is judged in conventional terms. The author argues that attention should be given to the research as a constructive attempt at coping with the problems of small units.

National Association of Towns and Townships. *Coping with Federal Requirements: A Small-Town Guide to Community Development Block Grants and Other Federal Programs.* **Washington, DC: National Association of Towns and Townships, 1985.** Presented is an overview of the federal government requirements which most widely apply to the "small cities" CDBG programs. The report also assesses state technical assistance efforts to help local programs comply with the federal requirements.

Seroka, Jim. "Community Growth and Administrative Capacity." *National Civic Review* **77, no. 1 (January/February 1988): 42-46.** Community growth in small towns and rural areas has been shown to depend upon the community's public infrastructure and its administrative and political environment. Places growing or declining economically and/or demographically have distinct patterns which tend to be self-reinforcing. The resulting inequalities have been attacked with federal aid programs and state and/or federal initiatives of various kinds. The limited benefits of these approaches are summarized, followed by an alternative. It is argued that the expansion of local intergovernmental cooperation is the best way to enhance administrative capacity. Reforms of state tax codes and land use planning could facilitate this.

Tevis, Cheryl. "Declare Rural America a Third-World Country!" *Successful Farming* **87 (August 1989): 13-14.** The author presents the case being made for the development of a National Rural Economic Development Research Center in America's heartland. Unlike other rural research centers being created in university settings, the argument is made that also needed is a center which reflects a grassroots effort involving farmers and rural residents. Advocated is an economic development theory entitled "Basic Resource Optimization" which involves a systematic analysis of a product or service--from its basic inputs through to the end users.

Wirt, Frederick M. "The Dependent City? External Influences Upon Local Control." *Journal of Politics* **47 (February 1985): 83-112.**

B. Changes Impacting Upon Rural Local Government

Balkrishna, D, Kale and Paul R. Voss. "Toward an Understanding of Population Growth in Wisconsin in the 1980s." In *The Small City and Regional Community,* **Volume 7, 23-31. Stevens Point, WI: Center for the Small City and Regional Community, 1986.** The article examines the impact of social and economic changes on the demographic make-up of the population in Wisconsin between 1970 and 1985.

Beville, Mitchel J., Jr. "Metropolitan Developments in a Rural State: The Case of South Dakota." *Midwest Review of Public Administration* **12, no. 1 (March 1978): 45-8.** The first in a series of articles concerned with metropolitan development in the mostly rural State of South Dakota. Three primary factors are considered: (1) migration from urban to rural areas; (2) extra growth in Rapid City and Sioux Falls; and (3) a net outmigration from the state. The state ranks sixteenth in the total number or local governments and has been in the forefront in governmental reform. Annexation, accomplished by the annexation of unincorporated areas and the annexation of contiguous municipalities, has been a primary method of confronting potential governmental fragmentation. Unplatted areas do not require an election for annexation which has caused legal disputes.

Blakely, Edward J. "Rural Communities in an Advanced Industrial Society: Dilemmas and Opportunities." In *The Small City and Regional Community,* **Volume 6, 3-12. Stevens Point, WI: Center for the Small City and Regional Community, 1984.** The author presents the argument that rural America is not on the decline, rather that rural America is where the future lies. "Rural America is no longer the residual of larger modern and urban forces in American society; but is in the vanguard." The author points out that most have missed the transformation that is occurring in rural communities and remained locked into misperceptions about what is happening in rural America. The advancement of rural America is based on five dimensions: (1) a shift in the rural economy away from natural resources and goods to a service economy; (2) a change in occupational patterns; (3) an increase in technological capacity; (4) a concern for future orientations; and (5) changes for the better in decision making institutions. The author cautions however, that not all rural communities have moved forward. Several communities have failed to: respond to national growth trends; cope with rising numbers of impoverished minorities being pushed from the urban to the rural community; achieve economic diversification; preserve their essential cultural characteristics; and develop new methodologies for development rather than adopting those used in urban areas. The author recommends those involved in the structuring of policies impacting on rural communities consider: (1) encouraging new links between education and economic development; (2) technological development centers should be established as an experiment in some rural communities; (3) new planning and development technologies and techniques should be developed; and (4)cooperation and sharing should be keys.

Bonner, William S., Robert K. Middleton, and Donald E. Voth. "Rural Non-Farm Population: Implications for Local Governments." In *The Small City and Regional Community,* **Volume 6, 315-22. Stevens Point, WI: Center for the Small City and Regional Community, 1984.** The authors provide an examination of the changing nature of the rural population and the implications of those changes for local governments. The authors focus on the change occurring in rural populations since the turn of the century and calls attention to three subcomponents: (1) farm; (2) non-farm rural places; and (3) non-farm rural residents not living in incorporated places. The results of the analysis indicate that most rural communities have an inadequate revenue base, lack professional and technical personnel, and are confronted with extraordinary constitutional or state limitations on local government powers. Hindering the rural communities in the delivery of services is a lack in the number of clients needing the service and the inability to justify expenditure for the service based on those small numbers. The authors further point out that there has been a steady decrease in the farm population, but a steady increase in non-farm rural population, with this group now comprised of 9 out of 10 rural citizens.

BEST COPY AVAILABLE

Caputo, D. A. "Attitudes of Small City Mayors, Managers, and Finance Officers in Illinois, Indiana, Michigan, and Wisconsin Towards the Reagan Intergovernmental and Domestic Policy Proposals. In ***The Small City and Regional Community,*** **Volume 5, 215-21. Stevens Point, WI: Center for the Small City and Regional Community, 1982.**

Dolan, Drew A. "The Rural Crisis: The Family Farm is Not the Only Endangered Species!." *The Small City and Regional Community,* **Volume 8, 194-204. Stevens Point, WI: Center for the Small City and Regional Community, 1988.** The article presents an examination of the current status of rural communities in Illinois, the socioeconomic trends affecting those communities, and the likely direction those trends will take those communities in the future. Rural communities are not only confronted by the impact of the farm crisis but also by such factors as a continuing weakening of local institutions serving the communities; increased accessibility to services provided in metropolitan areas; a general lack of professional assistance; rural areas are victims to the same social problems as urban areas but without the assistance programs; a weakening of the educational institution system in rural areas; and a lack of scholarly research on the problems confronting rural communities. An analysis of the direction these trends are taking rural communities indicates small rural communities are likely to go in one of three directions: (1) those communities on the urban fringe will be consumed by the urban community, becoming a bedroom suburb and losing its rural identity; (2) some rural communities, especially those located strategically along interstates are emerging as regional shopping and service centers; and (3) most rural communities face continuing economic decline leading to the creation of rural slums and final dissolution of the community. Also pointed out by the author is that the socioeconomic trends occurring in the rural communities indicate that a recovery of the farm economy may delay the inevitable but is not likely to assist these communities to survive. For the rural resident, the task is not to hold on to the past, but to tailor the future in such a way that it will offer lifestyles which enhance the treasured values for which rural America has been long noted.

Duncan, Cynthia M. and Ann R. Tickamyer. "Poverty Research and Policy for Rural America." *American Sociologist* **19, no. 3 (Fall 1988): 243-259.** Poverty in rural areas of the United States is endemic and likely to persist due to structural shifts in the economy. Using a sociology of knowledge perspective, the authors discuss the stereotypes of rural poverty and present a more accurate picture, comparing and contrasting rural and inner city impoverishment. The two dominant theories have been the culture of poverty school and the structural approach. The hegemony of the cultural view has had major policy consequences. After a period of decline during the 1970s, poverty analysis has resurfaced and remains politically polarized. An agenda for future research is presented, beginning with the reformulation of the culture of poverty model. Feminist theory, in-depth case studies of specific groups, and the relationship between poverty populations and labor market structures are important components of a new research agenda.

Fitchen, J. M. "Agricultural Change, Community Change, and Rural Poverty." *Rural Sociologist* **8, no. 2 (1988): 104-19.** Major agricultural changes in the past have led to the impoverishment of rural communities and that the present wave of agricultural change is likely to result in further rural poverty in the future. The combination of major agricultural change and collapse of the community has reduced some people to poverty and kept them in this state there. Research was undertaken in three rural counties of New York, where dairy farming is very important. Interviews began in 1986, covering 125 respondents in both the farm and non-farm population. All thought agriculture was the main economic activity of the region. Many farmers were found to be in real difficulties and many had already gone out of business. Existing non-farm poverty will continue as a cycle into yet another generation. Rural people who had been poor may become poor. Differential migration out of and into villages and hamlets will result in impoverishment of many communities.

International City Management Association. *FYI Resources on Local Government, 1983-85.* **Washington, D.C.: International City Management Association, 1986.** FYI serves as an bibliographic source as it brings together books, reports, monographs, and periodicals issued between 1983 and 1985 that pertain to local government. Provided are brief descriptions of more than 1,000 pieces of literature concerned with and divided into 17 separate local government categories. Also provided are listings of periodicals concerned with each of those 17 categories and where those periodicals may be obtained.

International City Management Association. *The Municipal Yearbook.* **Washington, D.C.: International City Management Association, 1989.** The International City Management Association (ICMA) publishes *The Municipal Yearbook* each year to assist those concerned with local government to become aware of the latest developments in local government. Sections typically included in the yearbook are: directories of municipal and county officials; financial and demographic data on municipalities and counties; results from surveys on issues of concern to professionals in the local government arena; and discussions of topics of concern to those involved in local government

Jankunis, Frank J. "Toward a Geographic Overview of Small Communities." In *The Small City and Regional Community,* **Volume 7, 247-55. Stevens Point, WI: Center for the Small City and Regional Community, 1986.** The author argues that if the general development of small communities is to proceed in a positive manner and if solutions are to be found to the problems currently confronting those small communities then a greater understanding of the basic structure and underpinnings of these units must be obtained. After a period of decline a number of small communities have shown a resurgence accompanied by a variety of new forms, functions, and activities. The article provides an overview of the factors which appear to be changing the face of many of these small communities. Hundreds of small communities from across North America were examined with relation to their new role as one of the following: (1) service center; (2) new frontier center; (3) hidden or reluctant suburb; (4) resort center; (5) manufacturing center; (6) resource exploitation center; or (7) a specialized center.

King, Leslie and Glenn Harris. "Local Responses to Rapid Rural Growth: New York and Vermont Cases." *Journal of the American Planning Association* **55 (Spring 1989): 181-191.** The authors examine local planning in the rural areas of New York and Vermont. The article finds that most of the growth management literature looks at urban areas, with little attention paid to rural areas. Researchers have traditionally evaluated state and regional programs with little attention to local planning. The authors found that small towns that were experiencing rapid growth were replacing an informal planning style with formal procedures and new techniques. The article also cites findings such as despite similarities in their stated goals, planning boards exhibited different responses to stopping growth; towns that were seeking to control development employed regulation, impact fees, phasing, and opinion surveys in their efforts; and those seeking to control development were active, innovative, and flexible in managing growth.

Koeberneck, Thomas. "Lifestyle Opportunities and Nonmetropolitan Migration." In *The Small City and Regional Community,* **Volume 7, 53-62. Stevens Point, WI: Center for the Small City and Regional Community, 1986.** The article provides a discussion of a study conducted in Osceola County, Michigan, on the impact of population growth upon institutions of nonmetropolitan communities. The county in which the study takes place is completely rural and is not adjacent to a metropolitan area. The author found that people do see a meaningful difference between urban and rural communities. The role structures and role lifestyles sought by migrants are perceived to be more attainable in the nonmetropolitan areas.

Landry, David J. "The Selectivity and Impact of Internal Migration on the Educational Attainment of Wisconsin's Population." In *The Small City and Regional Community,* **Volume 7, 32-42. Stevens Point, WI: Center for the Small City and Regional Community, 1986.** The article provides an analysis of population migration patterns by educational attainment in Wisconsin. The author seeks to determine which educational groups have a propensity to migrate, the educational attainment of nonmovers versus different classes of migrants, and the impact of migration on the educational attainment of the population relative to other areas. Four general findings are presented: (1) mobility steadily increases with years of school completed; (2) better educational migrants are more likely to choose long distance destinations than are lesser educated migrants; (3) migrants are much better educated than nonmigrants and migrants to long distance destinations are better educated than migrants to short distance destinations;

and (4) the ability of education to explain differences in migrant behavior is strongest at the youngest age groups and decreases substantially at older age groups.

Malia, James E., and Peter F. Korsching. "The "Great Change": An Examination of Rural Communities in Iowa. *The Small City and Regional Community,* **Volume 8, 232-51. Stevens Point, WI: Center for the Small City and Regional Community, 1988.** The authors believe that rural communities have become increasingly subject to the forces of the greater society that serve to decrease local community integration and autonomy. In this article they examine the relevance of the "great change" concept for contemporary rural Iowa communities. The "great change" concept, as applied by Roland Warren, suggests there are seven aspects of communities that are changing: (1) division of labor; (2) differentiation of interests and associations; (3) increasing systematic relationships to the larger society; (4) bureaucratization and impersonalization; (5) transfer of functions to profit enterprise and government; (6) urbanization and suburbanization; and (7) changing values. The long term trends of these factors for the rural communities are compared with the trends for metro communities. The implications for the results of this comparison are then discussed.

McInnis, Kathleen M. "Ethnic Minorities in Small Cities: Organizing Support Systems; The Case of the Southeast Asians and Mutual Assistance Organizations." In *The Small City and Regional Community,* **Volume 6, 333-41. Stevens Point, WI: Center for the Small City and Regional Community, 1984.** Ethnic minorities have traditionally presented both a challenge and a reward to the small communities in which they settle. The article points out that the pressure of population shifts, changes in service delivery systems, economic dependency, and changes in community relations have forced small cities to respond in creative, although difficult ways. The author provides a discussion of how small communities in Wisconsin are playing an important role in the settlement of ethnic minorities. The obstacles found to integration into the community are: (1) lack of employment; (2) poor provisions for adult education; and (3) vicious racism and cultural misunderstandings. The author also points out those factors critical to the successful integration of the ethnic minority into the community: (1) identify leaders within the minority community and work with them; (2) allow ethnic groups to identify their own needs; (3) focus on both the short and long term economic needs of the group; (4) diversify funding sources; and (5) use existing community structures to facilitate development.

Municipal/County Executive Directory, 1987. **Carroll Publishing Company, 1987.** Provided is a municipal executive directory, arranged by municipality; a county executive directory, arranged by state; and an alphabetical listing of executives and directories of national and state associations.

Murdock, S. H., L. B. Potter, R. R. Hamm, K. Backman, D. E. Albrecht, and F. L. Leistritz. "The Implications of the Current Farm Crisis for Rural America." In *Farm Financial Crisis: Socioeconomic Dimensions and Implications for Producers and Rural Areas,* **edited by S.H. Murdock and F.L. Liestritz, 141-68. Boulder, CO: Westview Press, 1988.** In an examination of the long-term implications of the current farm crisis, and the loss of a substantial proportion of agricultural producers, for rural areas in the United States dependent on agriculture, specific consideration is given to the implications of the loss of producers for agricultural structure and the economic, demographic, public service and fiscal characteristics of rural areas. The potential qualitative effects of changes in these dimensions on the social structure of rural areas are assessed. Analysis is based on assumptions about producers leaving farming, lost sales, and the rural exodus in the next few years, based on data on average farm incomes and the rural population in 1976, 1980 and 1983. Overall, long-term implications identified include: a decline in technology and innovation adoption; a reduction in the economic potential for development; a decline in the size and vitality of community organization; and a legacy of individuals with social and psychological problems. The social impacts may be among the most costly consequences of the farm financial crisis in rural America.

Ohlendorf, G. W., J. K. Thomas, J. E. Dunkelberger, and A. G. Cosby. "Defining and Achieving Life Goals: Career Development of Rural Youth." In *Human Resources Research 1887-1987,*

edited by R. E. Deacon and W. E. Huffman, 211-20. Ames, IA: College of Home Economcis, Iowa State University, 1986. The large decline in the size of the US farm population over many years has meant that rural youth must consider long-term employment in non-farm occupations. The paper summarizes a major area of research effort, supported by the US Department of Agriculture through State Agricultural Experiment Stations, focusing specific attention on research and theory regarding the career development of rural youth. Contributions from this research are highlighted, together with suggestions for the direction of future research efforts. It is concluded that research on the career development of young people in rural areas has constituted one of the most productive research efforts of SAES-funded rural sociologists. Referring to the status-attainment model, which views an individual's achievement of adult occupational status as being determined by childhood, social and psychological experiences, a discussion by Thomas of the Ohlendorf (et al.) paper points out that the composition of status and achievement frequently have different meanings for different races, sexes and populations.

Phillips, John R. "Small Town Interests, Attitudes, and Policy Perceptions: A Case Study in Local Public Policy Planning." *The Small City and Regional Community,* **Volume 6, 153-63. Stevens Point, WI: Center for the Small City and Regional Community, 1984.** A report discussing a socioeconomic political study of a small city commissioned by the state's chamber of commerce. The study used survey data generated from a random sample of the population to enable the researchers to develop recommendations and innovative ideas for the future growth of the city. Respondents to the survey provided answers to questions on the following topics: (1) respondent's general interests and concerns and whether those concerns are local or extra-local in their orientation; (2) respondent's attitude toward local government and evaluation of the effectiveness and responsiveness of the government; (3) respondent's perception of major problems which are likely to arise in the future; (4) respondent's perceptions of the consequences of certain public policy issues; and (5) the respondent's evaluation of the local public school system.

Reese, Laura and Joseph Ohren. "Problems and Opportunities in Studying Small Cities." *The Small City and Regional Community,* **Volume 8, 172-77. Stevens Point, WI: Center for the Small City and Regional Community, 1988.** The authors present a case for increasing the level and amount of research being conducted with regard to small cities. Argued in the article is that the majority of analysis on municipal, local, or sub-state governmental units has focused on the large central cities or urban areas and that when research on small cities is conducted it is often done using the methodologies employed in studying the larger communities. Among the advantages of conducting research in smaller governmental jurisdictions as opposed to larger communities area: (1) the typical close proximity of the small community to the researcher allows for the gathering of data without large commitments in either time, travel, or money; (2) small city officials are typically more than willing to share ideas, experiences, and information; (3) the large numbers of small cities, easy access to those communities, and the wide variety allows researchers to explore a number of cases in a single project; (4) a smaller unit allows for study in greater detail in terms of characteristics, history, and policy process, more depth than similar efforts devoted to large units; (5) small city residents are more receptive in responding to survey questions; (6) survey sampling efforts may be avoided in small communities because of the ability to survey the complete population; (7) there is an awakening of interest in smaller communities increasing the demand for small city research. The authors also caution that there are drawbacks to conducting research in small communities, many of which are generated out of a lack of previous research to build upon. Among the drawbacks are: (1) lack of a clear definition of what constitutes a small city; (2) a debate over whether size makes a substantial difference; (3) there is a bias against small city research in journals, the journals typically favoring larger scale studies; (4) a general lack of available data; (5) a greater degree of informality in policies and practices in small cities; and (6) a lack of comparable data; (7) wide variability in service provision among small communities.

Reid, J. Norman. *Rural Areas in the 1980s: Prologue to the 21st Century.* **Resources in Education Guide Number RIEJUN89, 1988.** The paper presents a clearer definition of rural areas and discusses the misunderstandings about rural America and what its problems are. Strategies that put local communities in charge of their own development are discussed with an emphasis on innovation and education. The author is concerned with the performance of the rural economy in the 1980s and the implications of that performance for the future. While the recession of the early 1980s was responsible for much of the trouble, the slow rural recovery demonstrates the fundamental hurdles facing the rural economy. Among the economic disadvantages being confronted are: remote locations isolation rural producers from their markets, low population densities that inhibit innovation and efficient production, and a rural population that is ill-prepared for better jobs that could pay higher incomes. The author recommends that rural residents should not count on major shifts in the economy that would produce a windfall solution to their current economic problems. The author believes the most promising solutions require community-wide actions to adapt to change and to exploit the creative opportunities for economic growth that arise during times of economic change. Low educational attainment in one rural population and the relative lack of organization and leadership in rural communities inhibit effective community action. By taking a broader view of their responsibilities within rural communities, schools can help rural residents create better futures for themselves.

Task Force on the Future of Rural Illinois. *Governor's Task Force on the Future of Rural Illinois: Summary Report to the Governor and 85th Illinois General Assembly.* **Springfield, IL: Department of Commerce and Community Affairs, 1987.** Presented is a summary of the findings of the Task Force on the Future of Rural Illinois in the areas of: (1) rural health policies; (2) rural local government and education; (3) rural economic development and transportation policies; and (4) agricultural policies. The summary discusses the problems found in rural Illinois in these areas and recommendations for solutions to these problems.

Warren, William D., William Gaydosh, and Matthew Lebarge. "Population Change in Western Illinois: 1880-1984." *The Small City and Regional Community,* **Volume 8, 252-81. Stevens Point, WI: Center for the Small City and Regional Community, 1988.** The authors examine the population trends which have occurred in Western Illinois, also referred to as the region known as "Forgotonia", during the period 1880-1984. The article examines the population trends of several different governmental unit designations in this region, including: the counties (16); urban communities (12); selected small communities (18); and two townships per county (32). Four basic changes were found to have caused a majority of the demographic changes in the region: (1) farm mechanization has resulted in a large increase in the size of farms, generating large reductions in the number of farmsteads and the agricultural workforce; (2) as the agrarian settlement pattern changed the central place functions of many smaller communities were adversely affected; (3) changes in the scale of agribusiness operations, and scale changes in general retail trade activity have had a negative impact on business activities in smaller towns; and (4) transportation services to smaller communities have experienced a precipitous decline.

Weinberg, Daniel H. "Rural Pockets of Poverty." *Rural Sociology* **52, no. 3 (1987): 398-408.** The author provides an exploration of problems relating to social services for older rural Americans who remain largely under served because the majority of social service delivery systems are established in urban areas. Recent attempts to assess the conditions of the nation's rural elderly have included oversights that affect the development of policies intended to provide these needed services. The use of aggregate characteristics tends to color public perceptions of rural life. Policy formulation needs to adopt a realistic picture of rural senior citizens' conditions, which are essentially similar to urban seniors.

Weitz, Janet S. and Harry R. Potter. "Attitudes Toward Community Change in Growing and Declining Communities." *The Small City and Regional Community,* **Volume 6, 173-88. Stevens Point, WI: Center for the Small City and Regional Community, 1984.** An Analysis of small town residents' attitudes toward community change and several objective and subjective factors believed to affect such attitudes. Variables used in the analysis included population growth rate, population size, age, education, income, and length of residence. Additional subjective variables used were participation in local activities, satisfaction with services and opportunities, and attachment to the community. The variables were used to determine their relationship with two dependent variables: (1) residents' personal interest in the community and its future; and (2) the ability of the community to handle its problems effectively. Eight rural Indiana communities were used as the subject of the analysis. Among the findings of the study were: (1) growth rate and population size had only small indirect effects; (2) residents in growing communities viewed local opportunities more favorably; and (3) the more favorably opportunities were viewed, the more participation in community activities and more interest in the future of the community. "While the residents in growing communities tend to be more satisfied with local opportunities, the challenge to local leaders is to provide opportunities to meet the needs of the residents. Otherwise, people who do not hold strong feelings of attachment may leave in search of other communities that better serve their needs."

C. Mandates and Their Impact

Banovetz, James M. and Carol A. Kachadoorian. "One-half of Property Tax for Payment of State Mandated Costs." *Illinois Municipal Review* **59, no. 4 (April 1980): 5-8.** "Approximately one-half of the property taxes collected annually by Illinois cities and villages are committed to the payment of state mandated costs." Such are the findings of this study conducted by the authors for the International City Management Association in conjunction with the Illinois Municipal League. The article details a study of 10 Illinois communities to determine the affect of state mandated costs upon those municipalities. In the analysis mandates were defined as any state laws or regulations which: (1) require cities and villages to spend money for purposes for which they would not have otherwise spent funds, (2) require cities and villages to spend more money for some purposes than they would otherwise spend, (3) require cities and villages to expend funds for purposes which the community would support in any event, but for which local control and flexibility are sacrificed in order to comply with state rules and regulations (i.e., pension funds), and (4) deny tax revenues or taxable resources to the municipality (referred to as a reverse mandate). Studied and listed in the analysis are those state rules and regulations which impose mandated costs upon Illinois cities and villages. Looked at specifically are the costs imposed by 15 major state mandates on each of the individual cities in the analysis.

Banovetz, James M. and Drew A. Dolan. "Local Government Mandates." Center for Governmental Studies Working Paper, Dekalb, IL: Northern Illinois University, 1986. Provided by the authors is a discussion of the use of mandates in the State of Illinois and the impact they are perceived to be having on rural Illinois communities. Written as part of a series of papers emerging from studies conducted in conjunction with the Rural Task Force on the Future of Rural Illinois, the article points out that the mandate imposed rules and regulations placed upon rural local governments was one of the most frequently mentioned problems by local government officials in rural Illinois. Included as part of the discussion are examples of the hardships caused by mandates passed by the state without financial assistance. The authors recommend that a constitutional amendment be passed requiring the general assembly either to accompany each mandate with a permanent appropriation sufficient to reimburse local governments for compliance costs or to pass the mandate, together with a declaration of legislative intent to impose the mandate without state payment of compliance costs, but only upon three-fifths vote of both houses of the assembly.

Lovell, Catherine and Charles Tobin. "The Mandate Issue." *Public Administration Review* **3 (1981): 318-331.** Citing the fact that "evidence is beginning to accumulate that mandates serve as the most important detriment of local government expenditures and as the single most important influence on local government policy making," the authors attempt to define the mandate issue and its implications. The article points out that the campaign against mandates can be viewed in one of two ways. First, one group considers mandates to be a "phenomenon which is transforming, fundamentally, and for the worse, the very structure and character of American federalism." The second view is that the campaign against mandates is a "phony campaign against national policy guidance and useful regulation which protects and enhances life." In studying the mandate issue the authors divide mandates into two basic types: (1) requirements, which includes programmatic and procedural mandates; and (2) constraints. Through their study they determine that nearly 84 percent of federal and 90 percent of state mandates stipulate activities which must be performed in connection with the provision of programs.

Massey, Jane and Jeffrey D. Straussman. "Another Look at the Mandate Issue: Are Conditions of Aid Really So Burdensome." *Public Administration Review* **45 (1985): 292-300.** An examination of the financial and political ramifications that occur when one level of government imposes restrictions or requirements on another's policies and activities. In examining the mandate issue the authors argue the existence of two basic types of mandates. The first are direct order mandates which are defined as those stating requirements or restrictions which have the force of law. Approximately 95% of state mandates fall into this category. Direct order mandates give no choice regarding compliance and have a burdensome nature. The second category of mandates are conditions-of-aid mandates. These mandates are normally tied to the aid received through intergovernmental grants. Approximately 80% of federal mandates fall into this category. In a study of the mandates attached to the federal community development block grant program (CDBG) the conditions-of-aid mandates are found to be less burdensome by the authors because of two reasons: (1) there is limited federal enforcement involved in the CDBG program; and (2) large variations in acceptable levels of performance exist in the program.

Murin, William F. and Judith Pryor. *Delivering Government Services: An Annotated Bibliography.* **Public Affairs and Administration, Volume 22, Garland Reference Library of Social Science, Volume 426 New York: Garland Publishing, Inc., 1988.** Among the topics included in this annotated bibliography are the theoretical and methodological issues surrounding service delivery; alternative methods of service delivery; privatization; citizen satisfaction and evaluation, and equity and equality in service delivery. The authors are concerned primarily with local and county level service delivery.

Palm, Albert F. "Low-Cost Public Opinion Surveys for Local Administrative Units." *The Small City and Regional Community,* **Volume 6, 147-52. Stevens Point, WI: Center for the Small City and Regional Community, 1984.** The article is aimed at solving the information gathering problems faced by many small communities. The author provides a design to assist small communities to make use of surveys which have typically been beyond their fiscal capabilities. Discussed are such topics as: (1) developing the sample group, using a variant of the "cluster-chunk-block" area technique; (2) construction of the technique; (3) obtaining interviewers and training them; and (4) choosing someone to handle the coding and analysis of the survey. The article serves two primary purposes: (1) providing a method of constructing a household list that may be constantly updated, this list can be used to generate highly reliable samples; and (2) providing a listing of various methods available to most local administrative units, used to keep the cost of survey research down.

Parkinson, Leon B. and Richard J. Reeder. "Potential Impacts of Mandatory Social Security Coverage for Local Government Employees." *State and Local Government Review* **16 (September 1984): 94-8.**

Taylor, Marcia. "State Mandated Local Expenditures: Are They Panacea or Plague." *National Civic Review* **(September 1980): 435-41.** The article discusses the likely impact of mandates on units of local governments since the advent of "new fiscal conservatism." Mandates are defined in this article as a "requirement by a higher level of government to spend money or otherwise incur new costs." A mandate constitutes a net increase in fiscal obligations for the unit of government receiving the mandate. Prior to the new fiscal conservatism, states often used intergovernmental aid, usually with strings attached, to affect local government policy and service delivery. The trend since the advent of the fiscal conservatism has been to still affect local government policy and service delivery but without supplying funding for the mandated rules and regulations. Previously states tended to share tax bases and the accompanying revenues with local governments contingent on local officials spending the funds for specific functions. The author believes that this trend toward mandating programs, with strings attached, but with no funding requires additional study and research in areas such as economies of scale, fiscal and political impact, responsibility for funding, accountability, and effectiveness.

Walzer, Norman. "Fiscal Note and Reimbursement Programs for State Mandates." Public Policy Research Institute Working Paper Macomb, IL: Western Illinois University, 1987. The author attempts to determine the experiences of state with programs that reimburse local governments for state mandates. The discussion was generated as a result of growing concern over the rising number of state mandates without funding being placed on local governments in Illinois. A combination of a growing dissatisfaction with property tax increases and the continued increase in the number of mandates, even as rising governmental costs have made it increasingly difficult to comply with the state requirements, led to the concern over the mandate situation on Illinois. Officials in 15 states which had either reimbursement or fiscal impact statements were interviewed as part of the study. Four recommendations for the State of Illinois emerged from the study: (1) a cataloging of existing mandates and their costs should be developed, (2) a system of fiscal impact statements of all bills imposing a mandate on local governments should be provided for, (3) local governments should be reimbursed for major mandates based on actual implementation costs, and (4) an appeals procedure must be established through which local governments not reimbursed for mandates may obtain relief.

II. THE FISCAL STATUS OF RURAL LOCAL GOVERNMENT

A. Identifying and Coping with Fiscal Pressures

Banovetz, James M. and Drew A. Dolan. "Government Liability Insurance." Center for Governmental Studies Working Paper Dekalb, IL: Northern Illinois University, 1986. The authors provide an examination of the impact of the liability insurance crisis upon local governmental units in the State of Illinois. Provided in the article are examples gathered through the receipt of testimony given at public hearings held before the Task Force on the Future of Rural Illinois. Included as an appendix to the article is a summarization of components of legislation proposed to alleviate the problems presented in the liability insurance crisis.

Banovetz, James M. and Drew A. Dolan. "Local Government Fiscal Powers." Center for Governmental Studies Working Paper Dekalb, IL: Northern Illinois University, 1986. The article discusses the inability of rural local governments to provide services or to provide leadership in promoting local economic revitalization because of the fiscal stress they are experiencing. The stress being experienced is a function of increasing costs of government operation, stable or declining local populations, falling land and property values, increasing local unemployment, and the loss of federal revenue sharing. Adding to the difficulties is a deteriorating public service infrastructure, the prevalence of state imposed mandates on the way in which available revenues may be used, state statutory restrictions that limit the fiscal options which local governments can employ, and state restrictions on the taxes which can be levied, the rates which can be imposed in levying allowable taxes, on the interfund transfer of monies, and on short and long term borrowing. The alternative solutions to these problems examined by the authors are divided into three categories: (1) increased local flexibility and autonomy in designing local tax structures and in spending tax receipts; (2) new revenue sources to replace general revenue sharing funds and funds lost due to declining revenues from existing taxes; and (3) increased flexibility in local government borrowing.

Blitz, L. Franklin and Joseph C. Pilegge. "Fiscal Stress and Response: A Tale of Nine Cities." *International Journal of Public Administration* **9, no. 3 (March 1987): 315-29.** Since most studies of municipal fiscal stress occurring in the 1970s deal with larger cities, a study was done on 9 Alabama cities with populations under 50,000 to determine their local response to fiscal pressure as it related to revenue enhancing actions. Financial statements from each year were examined in an attempt to identify trends in revenue patterns. Results in the following areas are discussed: (1) population change and revenue growth, (2) intergovernmental aid and borrowing, (3) property tax utilization, and (4) sales tax. No positive relationship between improved city financial conditions and either the level of industrial development or population growth was found. The variable most strongly associated with increased expenditures and revenues was the percentage of families under the poverty level. Response to fiscal stress included reduced expenditures, increased reliance on intergovernmental assistance, and debt financing.

Jones, L. R. and Ellwood H. Cushman. "Managing Fiscal Stress in Law Enforcement: Improving Productivity and Reducing Costs in Operation of Police Departments." *State and Local Government Review* **16 (Spring 1984): 84-93.**

Murdock, S. H., R. R. Hamm, L. B. Potter, and D. E. Albrecht. "Demographic Characteristics of Rural Residents in Financial Distress and Social and Community Impacts of the Farm Crisis." In *Farm Financial Crisis: Socioeconomic Dimensions and Implications for Producers and Rural Areas,* **edited by S. H. Murdock and F.L. Leistritz, 113-40. Boulder, CO: Westvies Press, 1988.** The authors examine the demographic characteristics of producers and residents in rural areas affected by the farm sector crisis in the United States, as well as the social and community-level impacts of the unfavorable economic environment. Attention is focused on producers and residents with varying levels of debt, or who have abandoned their farms and businesses due to the crisis. Their demographic characteristics are identified using data from 1985 and 1986 surveys of farmers, former farmers, businesses and residents in Texas and North Dakota. The crisis significantly affected those producers and business operators in their early career stages, who were well educated and innovative, and not sufficiently established to meet debt obligations when prices and business volumes declined. They saw their personal lives and community businesses and services affected by emotional and economic problems generated by the farm sector crisis. Following the examination of producers' and residents' perceptions of farming and the causes of the farm crisis, the impact of the crisis on the rural community as a whole, is discussed. A rural crisis and not just a farm crisis is identified. Among the most frequently noted impacts are: the loss of producers, and jobs for other rural residents; higher incidence of depression; marital and family conflicts; and similar personal problems.

National Tax Association. "Agendas for Dealing with Deficits." *National Tax Journal* **37 (September 1984): 261-455.** Presented is a series of papers compiled from the symposium, "Agenda for Dealing with Deficits," held in Arlington, Virginia, on May 21-22, 1984. Of primary interest to those concerned with the finances of local governments are those papers presented during the sessions: "The Impact of Federal Policy Shifts on State and Local Government" and "Federal Shifts on Policy: The View From the Trenches." More than 20 papers were presented at the conference sponsored by the Tax Institute of America.

Pulver, Glen C. "The Changing Economic Scene in Rural America." *Journal of State Government* **61, no. 1 (January-February 1988): 3-8.**

Scwab, Jim. "Small Town, Big Dreams." *Planning* **52:11 (November 1986): 4-9.**The mining town of Babbitt, Minnesota, nearly destroyed by the 11981 closing of Reserve Mining Co., has refused to give in to economic pressures. Through the work of its citizens and Mayor Don Cole, Babbitt has remained alive. Cole and a team of volunteers sold the city as an aggressive local developer--one of Minnesota's Star Cities. Another small town success story, Guttenberg, Iowa, has grown largely through the personal commitment of its mayor, Karen Merrick. Her goals to beautify the town grew into an attempt to secure tourist money to strengthen the community's economy. Citing the example of Grinnel, Iowa, Kansas State University professor Vernon Deines notes that college towns offer not only the obvious benefit of a stable major industry, but also a highly educated faculty that can provide a core of community vision and leadership. According to Deines, some 10% of small towns have 3 advantages that enable them to stabilize their local economies in the face of industrial decline and a depressed farm sector: (1) quality of life, (2) a skilled labor force, and (3) the infrastructure to support new industry. However, the advantages must be carefully developed.

Stanfield, Rochelle L. "Economic Growth of Rural Areas Bring Drawbacks Along with Blessings." *National Journal* **15 (September 24, 1983): 1932-7.** Article examines the problems confronted by rural areas which are confronted with growth, rather than decline. The growth, which many communities would consider a blessing, creates problems with traffic congestion, overburdened water and sewer systems, and unprecedented demands on city and county government. The problems are compounded by the diverse nature of rural areas and the lack of definition of those areas. Rural areas experiencing growth have to compete with poor rural areas which also need a great deal of assistance.

U.S. Congress. Joint Economic Committee. *The Fiscal Dilemma Facing Local Government.* **Washington, DC: Government Printing Office, 1984.**

Walzer, Norman. "Effects of Recession on Illinois Municipalities." Policy Research Institute Working Paper Macomb, Illinois: Western Illinois University, 1983. This report is an examination of the effects of the national recession upon the municipalities in the State of Illinois. The heavy industrial base in Illinois and continued high rates of unemployment have affected the ways in which Illinois' municipalities govern, especially those cities with heavy industrialization. The author examines how local officials responded to the resulting "fiscal austerity" and under what circumstances different cities responded differently.

B. Resource Information for Sound Fiscal Management

Baron, David. "Audit Findings from Small-City Single Audit Reports." *Government Accountants Journal* **38, no. 1 (Spring 1989): 3-9.** To illustrate the areas in which small cities seem to have control and compliance problems, single audit reports from 1986 of 15 small municipalities in New Mexico were examined. The 15 cities have populations of less than 10,000. A total of 110 separate findings were counted in the reports. The majority of small cities (60%) did not have clean opinions the financial statements. This was largely attributed to inadequate record keeping for fixed assets or proprietary fund contributed capital. Of the 44 law compliance violations, overexpenditure of budgeted amounts was the most frequent type of noncompliance. Internal control deficiencies included: (1) inadequate documentation of recorded transactions, (2) problems with separations of functions within a small city, and (3) failure to obtain appropriate authorization for recorded transactions.

Carr, T. R. "Capital Budgeting Strategies for Infrastructure Development." In *The Small City and Regional Community,* **Volume 7, 13-23. Stevens Point, WI: Center for the Small City and Regional Community, 1988.** The article is concerned with developing an appropriate strategy to finance the rebuilding and expansion of the infrastructure of local governments. The author argues that local government officials must create a strategy to determine both the level of investment and the appropriate mix of spending to provide an adequate infrastructure. Evidence suggests that local governments are neither investing sufficient resources to maintain the existing facilities or allocating enough resources to provide the new facilities demanded by population growth and the need for economic expansion. Among the sources of this problem are higher interest rates driving up the cost of borrowing money for capital projects; changes in the revenue patterns of local governments, specifically decreases in federal and state transfers; low density expansion of the population; and a growth in the overall population. The author suggests four appropriate strategies for overcoming the current problems: (1) an assessment of the existing infrastructure system to provide accurate and detailed information on which to establish maintenance, repair, and construction schedules; (2) planning for future infrastructure needs, a Capital Improvement Plan (CIP) can act as a budget guide for short and long term planning; (3) selecting an appropriate approach to provide an adequate infrastructure, such as using cost-benefit analysis; and (4) control over financial resources, control to protect the resources dedicated to the infrastructure to prevent their being used elsewhere.

Dodson, Nita J. "A Look At County Accounting." *The Governments Accountants Journal* **37 (Winter 1989): 29-36.** The article details the efforts by the state of Texas to improve the quality and efficiency of accounting in the state's 200+ smaller counties. The Standard Financial Management System for Texas Counties (SFMS) was created to assist counties in developing more comprehensive and informative accounts and to develop voluntary state-wide accounting standards. The author sent surveys to 24 auditors and 30 treasurers in 30 counties to determine their attitude toward the efforts of the state and the SFMS. The results of the survey included: (1) two-thirds of the auditors and treasurers felt the quality of the state assistance was at least good; and (2) the SFMS had made financial reports easier to comprehend and budgets easier to prepare.

Farr, Cheryl A. (ed). *Shaping the Local Economy.* **Washington, DC: International City Management Association 1984.** The book examines how local government officials are able to shape the local economy, how they are able to form working relationships with the private sector actors, and how they can use tax incentives, public capital regulatory reform, and other tools to influence development decisions for the mutual benefit of public and private participants. Also suggested in the book are methods by which local government officials can organize an effective program that includes outlining strategies for encouraging high-technology development, retaining existing businesses, and revitalizing commercial districts. The book also provides descriptions of successful programs at the local level.

Gitajin, Arthur. *Creating and Financing Public Enterprises.* **Washington, DC: Government Finance Research Center, 1984.** The author reviews the various steps involved in the creation

of a public enterprise, the determination of an appropriate system of users fees, and the structuring of the needed capital financing.

Godwin, Stephen R. and George E. Peterson. *Infrastructure Inventory and Condition Assessment: Tools for Improving Capital Planning and Budgeting.* **Baltimore, MD: Urban Institute, 1983.**

International City Management Association. *Evaluating Financial Condition: A Handbook for Local Governments.* **Washington, DC: International City Management Association 1986.** The handbook provides a methodology for financial managers to better understand the fiscal nature of their community. The method for evaluation allows financial managers to determine the present financial strengths and weaknesses of their community, identify emerging and existing financial problems, and devise action steps to improve the community's financial situation.

Kerns, Dennis W., Vic Tomlinson, and Rodney E. Gordon. Automating the Budget Process. *Government Finance Review* **4 (April 1988): 7-11.**

Lehan, Edward Anthony. "The Case for Directly Marketed Small-Denomination Bonds. *Government Finance* **9, no. 3 (September 1980): 3-7.** Several local governments and the State of Massachusetts have successfully sold small-denomination, tax-exempt bonds. The sales provoked underwriters into public attacks on governments for bypassing the underwriting establishment and selling bonds and notes directly to investors. Small-denomination bonds extend the reach of tax shelters to people of modest means who have the greatest need for a convenient tax shelter. Directly marketed small-denomination bonds probably will result in lower net costs because they can be sold to the ultimate purchases at interest rates which reflect the elimination of underwriting and brokerage fees and coupons can be discarded or transformed into machine-readable checks, reducing debt service cost. Sponsoring officials see the small-denomination bond as a vehicle of social and economic policy.

Malan, Roland M, et al. *Performance Auditing in Local Government.* **Chicago, IL: Government Finance Officers Association, 1984.** Presents relevant background and organizational issues and discusses the role of performance auditing in the professional framework of government finance. A major portion of the text addresses operational issues, including audit techniques and reporting audit results.

Matzer, John Jr. (ed). *Capital Financing Strategies for Local Governments.* **Washington, DC: International City Management Association 1983.** The text provides discussions of what cities and counties are able to do and have done in response to fiscal pressures. Discussed are techniques for implementing innovative financing techniques, including such alternatives as leasing arrangements. Also presented in the text are methods for increasing the marketability of municipal securities and enticing back investors that have been lured away from marketable securities to other opportunities.

Matzer, John Jr. (ed). *Practical Financial Management: New Techniques for Local Government.* **Washington, DC: International City Management Association, 1984.** Provides innovative techniques for better financial management in local governments. The text includes discussions of financial evaluation, policy making, revenue management and forecasting, infrastructure programming and financing, and creative purchasing. To assist individuals involved in financial management cases, examples, and worksheets are also included. The text is part of the Practical Management Series.

Mikesell, John L. *Fiscal Administration: Analysis and Applications for the Public Sector.* **Chicago, IL: Dorsey, 1982.** A thorough text on the practicalities of public agency operations and the development of an analytical framework. Included are sections on budgeting, revenue sources and structure, and the administration of public debt and idle fund management.

Miller, Girard. *Capital Budgeting: Blueprints for Change.* **Chicago, IL: Government Finance Officers Association, 1984.** The text was written to help those interested to plan and implement

a capital improvement program designed to expand and maintain facilities and equipment. To further assist, examples of the actual capital budgets of various cities are also provided.

Miller, Girard. *Elected Official's Guide to Government Finance.* **Chicago, IL: Government Finance Officers Association, 1984.** The report is written to assist elected officials in the creation of sound fiscal policy. The author offers sample ideas, fiscally sound concepts and policies, and suggestions for positive action.

Miller, Girard. *Selecting Financial Services for Government.* **Chicago, IL: Government Finance Officers Association, 1984.** An introductory publication which explores the nature of private sector financial services firms. The text is written to assist government officials design a selection procedure to optimize benefits and reduce governmental costs.

Miller, Girard. *Investing Public Funds.* **Chicago, IL: Government Finance Officers Association, 1986.** The author provides a guide for public investment professionals to map out investment objectives, suggests policy language and internal control procedures. The book identifies risks and offers strategies to be followed. Included in the text are sample investment policies, banking agreements, securities dealer certificates, and pension money manager questionnaires.

Peterson, John E and Ronald Forbes. *Innovative Capital Financing.* **Chicago, IL: American Planning Association, 1985.** The authors describe new, innovative, self-financing techniques of public capital facility financing. The focus is primarily on the financing of the more traditional public facilities, including: streets, schools, water, jails, and other physical structures and equipment.

Sbragia, Alberta M. (ed). *The Municipal Money Chase: The Politics of Local Government Finance.* **Boulder, CO: Westview, 1983.** The text deals with local government financing, municipal bonding and finance, and the relationship between congressional politics, federal grants, and local needs.

Sokolow, Alvin D. and Beth Walter Hondale. "How Rural Local Governments Budget: The Alternatives to Executive Preparation." *Public Administration Review* **44 (September-October 1984): 373-83.** The centralized, executive budget is widely viewed as the predominant form of local government budgeting in the United States. But what is the practice in smaller, rural governments which lack strong chief executives? This article describes the annual budgeting processes and roles in such locales, based on case studies of eight municipalities and four counties in California and Illinois. Budgeting in these jurisdictions is characterized by multiple roles in budget preparation, a key individual who serves as coordinator and compiler of budget requests, and overlap of legislative and administrative responsibilities. In some rural localities the budget process is performed only to fulfill legal requirements. Factors such as the personal interests of local elected officials, local tradition, and the strength of legislative involvement affect the influence administrators have on budget policy.

Tierney, Cornelius and Philip Calder. *Governmental Accounting.* **New York, NY: Elsevier Science Publishing, 1983.** A reference work developed to assist finance officers, accountants, auditors, attorneys, and CPAs in auditing the financial statements of government.

U.S. Congress. House of Representatives. Committee on Education and Labor. *Public Employee Pension Plan Reporting and Accountability Act of 1982.* **1982.**

Weiss, Barbara. "Financing Infrastructure for Economic Development." In *The Small City and Regional Community,* **Volume 7, 72-85. Stevens Point, WI: Center for the Small City and Regional Community, 1986.** Provided is a discussion of the Government Finance Research Center (GRFC) of the Government Finance Officers Association (GFOA) effort to produce materials for state and local economic development officials that will provide practical information on various alternative financing approaches to capital infrastructure needs. The article provides information to answer the question, "Who Pays for Public Infrastructure and How?" The authors

BEST COPY AVAILABLE

point out that there has been a shift in the burden of financing infrastructure repair and development. The burden of responsibility has shifted away from federal dollars to become the responsibility of the individual town, city, and county. The plan presented by the GFOA is based on discussions of the advantages and disadvantages of the various financing tools for infrastructure improvement that are available to units of local government. The article presents an overview of the GRFC's project on financing infrastructure for economic development by describing the various products of the research and technical assistance effort. The emphasis is on microcomputer software packages prepared for local government finance officials.

C. The Revenue Base and Related Factors

Advisory Committee on Intergovernmental Relations. *Devolving Federal Program Responsibilities and Revenue Sources to State and Local Governments.* **Washington, DC: Advisory Commission on Intergovernmental Relations, 1986.**

Advisory Committee on Intergovernmental Relations. *Financing Public Physical Infrastructure.* **Washington, DC: Advisory Commission on Intergovernmental Relations, 1984.**

Aronson, J. Richard and John L. Hilley. *Financing State and Local Governments.* **4th ed. Washington, DC: Brookings Institution, 1986.** The book examines the major state and local taxes being used and assesses the capacity of state and local governments to handle their debt burdens. Chapters are included on financing education and expanded analysis of debt finance, the financing of state and local pension plans, and the state corporate income tax.

Beury, Kim. "Counties Hopeful for New Deal: Cutbacks in Federal Spending Are Making Life Difficult for Some Counties, But Along With Heartaches Come Opportunities for Officials to Take a More Active Role in Their Own Affairs." *American City and County* **103 (August 1988): 30-33.**

Brostofff, Steven. "Towns Caught in Liability Squeeze." *National Underwriter (Property/ Casualty),* **90, no. 4 (January 24, 1986): 2-13.**

Brown, Harry M. "Financing Development After Tax Reform." *American City and County* **103 (November 1988): 10.**

Cain, Carol. "West Virginia Enacts Municipal Tort Reform Bill." *Business Insurance* **20, no. 23 (June 9, 1986): 2-25.**

Deen, Robert. "Farmersville: Pride and Uncertainty in California's Rural Cities." *California Journal* **14, no.8 (August 1983): 299-301.** The author provides a discussion of the after effects of Proposition 13 on a community in California. Five years after Proposition 13, Farmersville, CA (population 6000) and other small, traditionally poor rural cities found themselves trying to avoid the harsh reality of disincorporation. The communities were confronted with no longer being able to afford the benefits and expenses of local government. Meager property and sales tax bases and growing expenses were feared to be a fatal combination. Farmersville received only a small portion of its money from the local sales tax and other such revenues; the city received additional local money from its property tax, but most of that is gone; and state bail-out funds that once helped cities like Farmersville are also gone. As a result, the city has a higher than average dependence on other forms of state and federal funds, such as the cities' share of various motor vehicle taxes, law enforcement support, and community development grants. Disincorporation to communities such as Farmersville means more than once more relying on the county for services--it means an inevitable blow to community pride.

Drury, Sallie J. "Civil Rights Suits: A Menace for Municipalities." *Business Insurance* **17, no. 24 (June 13, 1983): 3-29.**

Fletcher, Meg. "New York County Bullish on Cutting Claim Costs." *Business Insurance* **19, no. 41 (October 14, 1985): 14-15.**

Flowers, George A. Jr., Jerome S. Legge Jr., Paul E. Radford, and David H. Wiltsee. "Targeting Funds for Economic Development in Rural Georgia: The Experience of the Georgia Department of Community Affairs." *Public Administration Review* **41, no. 4 (July-August 1981): 485-88.** During the 1980 fiscal year, the US Farmers Home Administration (FmHA) targeted 10% of its Business and Industry loan guarantees to "highly distressed areas." The staff of the Georgia Department of Community Affairs' (DCA) Economic Development Program undertook to locate distressed areas in rural Georgia in 1979. The formula developed by the DCA for that purpose included 4 variables: (1) percentage of persons living below poverty level (1976); (2) per capita income (1977); 3() average weekly per capita manufacturing income (1978); and (4) average unemployment rate for 1977 and 12978. After the formula was applied, the counties were ranked. As a final step, a regression analysis was done to help validate the formula. Although the DCA is just starting its implementation phase, which should take about a year, the most obvious criterion for the whole project is whether or not positive economic change occurs in the areas chosen.

Fritz, Richard F. "Tourism, Vacation Home Development and Residential Tax Burden: A Case Study of the Local Finances of 240 Vermont Towns." *American Journal of Economics and Sociology* **41, no. 4 (October 1981): 375-85.** Rural areas with natural attractions have encouraged tourism and vacation home development as a means of promoting economic development. It has been assumed that vacation home development would decrease residential property tax burdens and at the same time increase the quality of local public services. The impact of rural economic development through tourism was studied for 240 towns in Vermont. Since the 1950s, the recreational facilities in the area have greatly increased, as have the construction and purchase of vacation homes. A tax divergence model was developed to assess the impact of vacation home development on residential property taxes. Results of analysis show that vacation home development was associated with a divergence in residential tax burdens, especially for towns with fewer than 1,000 residents. The results indicate that tourism-based rural economic development may negatively affect the tax burdens of permanent residents.

Harris, C. Lowell (ed). *The Property Tax and Local Finance.* **New York, NY: Academy of Political Science, 1983.**

Hunter, Alexander M. "State and Local Government Liability for Failing to Use Reasonably Available Information Technology in Emergency Management." *Information Society* **3, no. 4 (1985): 313-26.**

Kutz, Karen. "On Their Own, Counties Face Challenges." *American City and County* **102 (July 1987): 60-65.**

Leutwiler, Nels R. "Implementation Strategies for Community Energy Management." In *The Small City and Regional Community,* **Volume 7, 329-333. Stevens Point, WI: Center for the Small City and Regional Community, (1986).** The author argues that although most small towns or rural communities are concerned with the revenues in the form of retail dollars leaving their areas, they fail to be concerned with the revenue dollars in the form of energy costs that leave their communities. Most small towns and rural communities do not have their own generating plants, therefor, monies spent on energy generally benefit neighboring, larger communities. The article points out that the time has come for small towns and rural communities to make a concerted effort to stem the flow of energy dollars out of a community by making an effort to reduce consumption of power. Such an effort can serve to release energy money for alternative spending or investment that may occur locally. The author discusses different methods to provide incentive to businesses to conserve energy. These include: energy efficiency building standards, local financial inducements, property tax incentives, local sales tax incentives, and local government financing for energy conservation projects.

Lincoln, Sherry. "Rural Priorities Redirected, But No New Funding." *Nation's Cities Weekly* **10 (November 9, 1987): 2.**

Lord, Blair M. "Municipal General Liability Insurance and the Use of Competitive Bids." *CPCU Journal* **35, no. 1 (March 1982): 52-61.**

Malecki, Donald S. "A Coverage Worth Considering." *National Underwriting (Property/Casualty)* **86, no. 523 (December 24, 1982): 11, 18, 19.**

Mattson, G. and P. Solano. New Federalism and Small Town Funding Access. In *The Small City and Regional Community,* **Volume 5, 222-28. Stevens Point, WI: Center for the Small City and Regional Community, 1982.**

Mikesell, John L. and C. Kurt Zorn. "Impact of the Sales Tax Rate on Its Base: Evidence from a Small Town." *Public Finance Quarterly* **14, no. 3 (July 1986): 329-38.** Local governments and businesses fear that increased local sales tax rates will induce losses to the local economy, even inducing losses so harsh that no additional revenue will result from a higher tax rate. Previous works by Fisher (1980), Hamovitch (1966), and Mikesell (1970, 1971) have analyzed sales loss in metropolitan areas, usually finding significant but not overwhelming effects. Those results do not address the issue for small cities and typically are complicated by the expenditure effects resulting from the increased tax revenues. An analysis is made using unique data from a small town to examine the impact of a temporary sales tax rate increase with a retail sales share model. The evidence demonstrates a significant but small sales impact that did not endure and no impact on vendor location. The unfavorable rate differential created a short-run effect, but not economic disaster.

Padgitt, S. and B. Wells. "The Changing Role of Referenda in Local Public Policy." In *The Small City and Regional Community.* **Volume 5, 297-302. Stevens Point, WI: Center for the Small City and Regional Community, (1982).**

Ponte, Robert. "An Economic Development Approach for Small Cities." *Journal of the American Planning Association* **52, no. 3 (Summer 1986): 349-54.** Small cities are looking to economic development for answers to such problems as static or declining economic base and competition with suburbs for jobs. In devising an economic development plan, the initial tasks for planners and small cities include: (1) specifying the primary reason for a development plan, (2) deciding if the plan should be product or process oriented, (3) establishing the role of the consultant, and (4) determining how specific the recommendations should be. Market analysis allows the consultant to assess a city's competitive abilities. Such analysis involves: (1) understanding the city's situation, (2) establishing strengths and weaknesses, (3) recommending goals and objectives for the program, (4) identifying development alternatives, (5) selecting strategies, and (6) suggesting a specific program of implementation. Local steering committees and public presentations may be used to help in implementing the plan.

Rubin, Herbert J. "Local Economic Development Organizations and the Activities of Small Cities in Encouraging Economic Growth." *The Policy Studies Journal* **14, no. 3 (March 1986): 363-88.** A description is provided of the effect of local economic development organizations on the number of incentives that cities provide to attract businesses based on a 1984 survey of Illinois cities (number of cases = 156) including attitudinal measures obtained through interviews with local development officials, questionnaires mailed to the Chamber of Commerce directors, and United States census data and state taxation reports. The effect is measured over and above that explained by background economic and social factors. Suggestions are made about the mechanisms through which economic development organizations encourage public officials to work to promote development.

Scism, Thomas and Laurence Thorsen. "Voting in Property Tax Referenda to Benefit Senior Citizen Services." In *The Small City and Regional Community,* **Volume 8, 159-71. Stevens Point, WI: Center for the Small City and Regional Community, 1988.** The authors provide an analysis of the attempts of three Illinois counties to pass referenda to increase their assessed valuations by .025 cents per $100 to benefit senior citizen services. The three referenda came before the voters on the same day and one passed handily with the other two failing badly. The authors seek to determine the reasons for the success or failure by comparing the counties based on: (1) socio-economic data to see if there were differences in population, income, age, or economy; (2) open-ended surveys of county board members and leaders; and (3) telephone surveys of voters who voted in the election to compare voter characteristics of voters who voted for and voters who voted against the referendum. Among the results determined by the authors were: (1) county leaders felt the level of voter information was a primary reason for the results in the three referenda; (2) opposition to public funding of special groups was strong in the two counties where the referenda failed; and (3) individual socio-economic variables did not correlate well with the passage or failure of the referenda. The authors also offer a strong recommendation that the key to passage may be organization, with leaders being able to influence the voter's actions. The article also provides a literature review of research on the reasons for passage or failure of referenda.

Slovak, Jeffrey S. "Property Taxes and Community Political Structures." *Urban Affairs Quarterly* **16 (December 1980): 189-210.** Provided in this article are the findings of a survey sent to citizens in three communities (Fairview Heights, Illinois, Flat Rock, Michigan, and Farmington Hills, Michigan). The surveys attempt to measure citizen's willingness to support public programs through local property tax increases in order to "shed light on the tax payer's revolt." Findings of the analysis indicate that distinctly different dynamics characterize the politics of local property tax proposals. Discrete tax proposals were found to generate different patterns of community cleavage that may or may not preclude passage. A structural bias in favor of tax revolt proposals was found in each of the three communities.

Smith, Janet Kilholm and Richard L. Smith II. "State and Local Fiscal Policy: Implications for Property Values and Economic Growth." *Public Finance Quarterly* **12 (January 1984): 51-76.** Previous research has examined the effect of property tax levels and related public expenditures on property values.. However, a more comprehensive proposition, implied by the property rights literature and market efficiency, suggests interjurisdictional differences in taxes of all forms, not just property taxes, will be capitalized in property values. Furthermore, cross-sectional property values are expected to vary systematically with differentials in welfare program expenditures and with differentials on the extent to which tax burdens are shifted to nonresidents. Empirical results are consistent with these expectations and also provide insight into the relationship between political competition and property values and between local fiscal choices and regional growth patterns.

U.S. Department of Agriculture. Economic Development Division. *Rural Governments: Raising Revenues and Feeling the Pressure.* **Prepared by Richard J. Reeder, Washington, DC: Government Printing Office, July 1985.** The author examines locally raised general revenues as a percentage of local income to assess the fiscal pressures local governments face in their efforts to raise revenues. The report specifically addresses the high cost of providing public services in sparsely populated areas as a cause of rural fiscal pressures.

U.S. Bureau of the Census. Governments Division. *County Government Finances in 1983-84.* **1986.**

Wagner, Linda. "Liability Insurance Crisis: Coming to Grips with Long Tails and Deep Pockets." *Illinois Issues* **12, no. 1 (January 1986): 8-12.** This article graphically details the liability insurance crisis' financial and political compact on units of local government in Illinois. Cities, towns, park districts, and special districts have all been faced with rate hikes as high as 1000 percent or even the inability to gain coverage at all. Blue Island, Illinois must pay a deductible of $150,000 on the first claim and pays $335,000 per year for $1 million coverage. Robbins, Illinois, had no coverage and was forced to pay a $750,000 settlement from their general revenue account, water and sewer tax rates, and payroll funds. Also presented by the author is a discussion of why insurance companies are charging higher premiums or refusing coverage, problems confronted with reinsurance, interest rate declines, and previously reduced rates.

D. Analyses of the Changing Financial Environment of Local Government

Ayres, Janet S. "The Effects of the Farm Financial Situation on Rural Communities." In *The Small City and Regional Community,* **Volume 7, 178-186. Stevens Point, WI: Center for the Small City and Regional Community, 1986.** The paper examines the changing relationship between agriculture and rural communities through an analysis of the relationship in 14 farming dependent counties in Indiana. The author found that most rural communities have adapted and diversified over the years so agriculture is no longer the keystone of the rural economy. Because of such adaptation and diversification it has become much more difficult to predict the effect of the farm crisis on rural communities as a whole, much will depend on how closely the nonfarm economy is linked to agriculture production and income. Additionally, the author found that unlike the rural communities in the great plains, most farming dependent communities in Indiana are within easy access of a metropolitan area allowing farmers to find additional employment without moving from the community. As such, schools, churches, and leadership in rural communities are not being impacted by an exodus of farm families. The impacts of the farm crisis on rural communities is modest and agriculture by itself is not associated with a deteriorating well being or rural communities. However, a decrease in farming and a downturn in the economy of surrounding metropolitan areas can create serious consequences. The author recommends considering four issues when developing policy: (1) rural areas are becoming more diversified; (2) local leadership is key to effective development efforts; (3) the need for technical information and management assistance programs; and (4) regional approaches are needed.

Chicoine, David L. and Norman Walzer. *Governmental Structure and Local Public Finance.* **Boston, MA: Oelgeschlager, Gunn, and Hain, 1985.** Pointing out that most recent literature is concerned with the merits of various revenue sources and intergovernmental relationships, the authors attempt to fill a void in the local government literature by examining the areas of structure of local government, numbers of governments involved in providing services, and the organizational characteristics. The analysis provided is conducted to examine a research question regarding whether the arrangements for providing local services affects the level of service provided and the costs of those services. To examine this question, the authors examine the organizational structures of local governments in the State of Illinois. Factors such as the influence of the structure of government used to provide services; the impact of numbers and government structure on the revenue composition used to finance services; the importance of fragmentation in determining the costs of services provided; and the perceptions of residents regarding the quality of service. An added benefit of this text is the richness of the literature reviewed and cited as part of the analysis. For those concerned with further examination of the affects of the structure of government the endnotes and tables concerned with other previous empirical studies will provide an excellent base to start from.

Elder, A. H. Correlates of Fiscal Stress in Small and Mid-Sized Communities. In *The Small City and Regional Community,* **Volume 5, 249-53. Stevens Point, WI: Center for the Small City and Regional Community, 1982.**

Fletcher, Harold and John R. Phillips. "Municipal Finance: Notes on a Changing Environment." In *The Small City and Regional Community,* **Volume 7, 53-62. Stevens Point, WI: Center for the Small City and Regional Community, 1986.** The authors attempt to set out a descriptive model of contemporary municipal financial management. The article examines the municipal fiscal environment pre and post 1975. The year 1975 was chosen as the time break because the author considers 1975 to be the "end of the era in which municipal managers could rely on the traditional (financial) planning approach." The authors point out changes such as changing investor preferences, the impact of new urban financial problems on investors, recognition of a deteriorating economic base, concern over municipal liability for pension payments, and uncertainty about the legal status of municipal bonds. Also examined in the article is the closed-loop planning approach for fiscal management.

Koven, Andrea C. and Steven G. Koven. The Impact of Revenue Constraints on Small Iowa Governments. In *The Small City and Regional Community.* **Volume 8, 180-93. Stevens Point, WI: Center for the Small City and Regional Community, 1988.** The article provides an analysis of how a declining revenue base has impacted on the quality of public services in small Iowa cities. Data for the analysis was gathered through a questionnaire mailed to city clerks in cities with populations between 2,550 and 10,000. Also providing data for the analysis was an examination of the negative economic, social, and political forces affecting the communities. The authors found that: (1) fiscal managers of small cities in Iowa were not optimistic about receiving increased aid from the federal government; (2) property taxes have not replaced the lost federal assistance, primarily due to declines in assessed valuation in the surveyed communities; (3) declining revenue sources are associated with a deterioration of city infrastructure; (4) demand for better services was not perceived to be a problem; and (5) the clerks did not feel that the overall quality of public services had declined. The authors also determined that the reason for an overall declining revenue base but maintenance of service quality levels rested with the communities drawing upon budget surpluses. They caution that this is only a short term solution and by continuing on this course major problems will lie ahead.

Mattson, Gary A. "The Fiscal Management Practices of Small Midwestern Cities in an Era of Financial Retrenchment." In *The Small City and Regional Community,* **Volume 6, 221-34. Stevens Point, WI: Center for the Small City and Regional Community, 1984.** The article provides an investigation of the financial management practices of small Iowa cities with populations below 50,000. More specifically the author analyzes the ability of these cities to forecast revenues and expenditures, to establish bank arrangements, and to utilize acceptable cash management practices. The subject group for the analysis was made up of 33 professional and 64 nonprofessional communities. Among the results indicated in the study are: (1) size and lack of professional expertise has had an impact on financial management practices in small cities; (2) cities at extremes in size and wealth were more likely to have performance budgets, while medium size, nonprofessional communities were more likely to have line item budgets; (3) less than one-third had banking arrangements, with large cities more likely to have such arrangements; (4) the most frequently used cash management practice was the investment in certificate of deposits; (5) as size increased the level of sophistication of cash-management practices also increases; (6) large towns appear to have a greater capacity to undertake and manage sophisticated financial management practices; (7) smaller towns tend to be less wealthy and more vulnerable to fiscal stress; and (8) smaller communities were less likely to have the capacity to adopt techniques to alleviate stress.

Walzer, Norman. *Financing Local Government Services in Illinois.* **Urbana, Il: University of Illinois, 1979.** This study seeks to provide a comprehensive study of county, municipal, and special district finance in the State of Illinois. Citing the many changes that have occurred in the financing of local governments in Illinois the author points out the need for a better understanding of how these changes have affected the finances of counties, municipalities, and special districts. Some of the causes discussed as leading to the changes are a new state constitution, intergovernmental revenues, replacement of the personal property tax, and a growing dissatisfaction with the property tax. The report discusses each of the three local government types separately and provided analysis of each based on a number of selected variables, including population, structure of the government body, urban or rural geographic location, and political attitudes.

Wilson, Thomas D. and Ann H. Elder. "Collective Bargaining in Illinois Counties." In *The Small City and Regional Community,* **Volume 7, 86-100. Stevens Point, WI: Center for the Small City and Regional Community, 1986.** The authors provide an assessment of factors that have fostered adoption of collective bargaining in Illinois counties and to assess the managerial impact on these counties. Questionnaires were sent to the chairpersons of all Illinois county boards seeking answers to questions regarding: general information about the county; the organization of the county government, especially in the areas of personnel and budget management; and the status of collective bargaining in the county. The findings of the survey include: (1) only 32 of Illinois' counties have formal agreements with any of their employees; (2)

counties are more amenable to unionization if they are controlled by democratic office holders and if the county is urbanized; and (3) metropolitan counties tend to have more than one group represented.

III. THE MANAGEMENT OF THE RURAL COMMUNITY

A. Professional Management

Anderson, Wayne F., Chester A. Newland, and Richard J. Stillman II (eds). *The Effective Local Government Manager.* **Washington, DC: International City Management Association, 1983.** The book concentrates on the management of local government (towns, cities, townships, counties, councils of government, etc.) - what managers do, how they do it, and how they can do it more effectively. Recognized in the text is that the manager of today works in a complex, changing environment; that a fundamental part of the job is building and mediating relationships; and that the public nature of the job creates special pressures and responsibilities. Rather than dealing separately with the more traditional management concerns of budgeting, personnel, and information management, it shows how each of these applies in the context of broader responsibilities. The book includes chapters on relating to the community; assisting the governing body to work effectively; managing for effectiveness, efficiency, and economy; creating conditions for excellence; promoting the community's future; representing the community with other governments; and the personal side of effectiveness.

Bailey, Mary Timmey. "A Model System for Institutionalizing Productivity Improvement Efforts." *Public Productivity Review* **44 (Winter 1987): 19-28.** While most governments could benefit significantly by implementing productivity improvement (PIE), a range of recognized barriers exist, including the inability of governments to institutionalize productivity improvement as an ongoing element of the administrative system. A model system that has been developed for achieving institutionalization of PIEs. The model was extrapolated conceptually from a research project that developed an energy budgeting and management system for Pittsburgh, Pennsylvania. Through the use of a program budget overlay, the model makes coordination of the productivity program a function of the budget office, while responsibility and accountability for productivity improvement efforts remain with the administrators in each operating department. Although the program budget overlay has been designed for use with a line-item budget, its adaptability allows it to be used with other budget systems. The model system also may be transferable to other institutions, such as public schools, universities, and nonprofit social service agencies.

Banovetz, James M. and Drew A. Dolan. *"Professional Assistance for Local Governments." Center for Governmental Studies,* **DeKalb, IL: Northern Illinois University 1986.** In their research conducted in conjunction with the Task Force on the Future of Rural Illinois the authors found that the management of small governments in rural Illinois remains largely in the hands of part-time, non-professional leaders. The article points out that the business of government has become an increasingly complex task, requiring professional expertise, substantial background knowledge and experience, extensive access to detailed information, the application of sophisticated modern technologies, skill in both short and long range strategic planning, and the ability to handle complex decision making tasks. The authors further point out that the majority of rural local governments lack many of these capabilities and therefore lack the capability to sustain their competence as a provider of local services and solver of local community problems. Among the alternatives explored to increase the level of professionalism in rural governments are: (1) encouraging more rural local governments to use professional managerial assistance in managing their operations; (2) expand the number of state field offices which provide technical assistance to local governments; (3) develop an assistance office in each county; (4) create a rural government extension staff charged with disseminating information to rural governments; (5) establish a State Department of Rural Affairs; and (6) develop a training program for rural local government officials.

Banovetz, James M (ed). *Managing Local Government: Cases in Decision Making.* **Washington, DC: International City Management Association, 1990.** This edited volume seeks to promote a fuller understanding of local government administration through presenting actual case experiences involving the administration of local government. Twenty cases covering a broad range of local government problems and representing real life decisions that faced local government administration are presented. The cases are grouped in sections dealing with the role of professional administration; community politics; intergovernmental relations; analysis and evaluation; personnel and labor relations; finance and budgeting; and ethics.

Elam, Jon. "The Circuit-Riding Manager." *Public Management* **60 (April 1978): 2-5.** An analysis of how and why a group of small towns in Minnesota made the decision to hire a city manager to circulate among them and develop and coordinate policies. The reasons for the adoption of such a management policy are attributed to the demands of small town residents for an increased quality of life and the ever increasing complexities of state and federal regulations. In smaller cities, less than 3000, the decision to hire a manager becomes difficult because the public often refuses to acknowledge their community is having problems. However, being confronted with problems in the area of development, infrastructure, shifting service demand, and economy have forced local officials in these small Minnesota towns to realize their need for technical assistance. This technical assistance took form through professional management supplied through a circuit rider. Each of the small towns paid part of the salary of the circuit rider. The author points out the need for financial commitment on the part of the towns for the program to succeed. Towns which have such programs paid for through grants have a tendency to cancel the program when the grant money runs out.

Fredrick, H. George (ed). *Ideal and Practice in Council-Manager Government.* **Washington, DC: International City Management Association, 1989.** This edited volume emerged from the National Conference on the Study of City Management and the Council-Manager Plan. The conference and the articles included in the volume asked and examined questions about the changing roles and responsibilities of the professional manager, (vis-a-vis the governing body and the community), the state of the profession the plan on the threshold of the 1990s, and the prospects for the future. Also raised and discussed are questions about the role of professional management in economic development, innovation, and technological change. Included are chapters on the context of city management; policy administration in modern city management; the roles, work, and values of the city manager; technology, economic development, and innovation in the administrative city; and future of city management and the council-manager plan.

Green, Roy E. Local Government Managers: Styles and Challenges. *Baseline Data Report* **19 (March-April 1987) 1-11.** The author assesses the results of a survey of 2,360 local governments of various forms.

Green, Roy E. *The Profession of Local Government Management: Management Expertise and the American Community.* **Praeger Publications, 1989.** The base for the author's work are surveys of professional city, county, and council-of-manager government managers conducted intermittently between 1973 and 1987 by the International City Management Association. The text assesses the nature of current and changing leadership patterns in various communities; resources available to the profession; career paths taken by managers; and professional associations available.

Horgan, R. J. "Increasing Effectiveness at Local Government Meetings." In *The Small City and Regional Community.* **Volume 5, 271-78. Stevens Point, WI: Center for the Small City and Regional Community, 1982.**

Howitt, Arnold M. "Improving Public Management in Small Communities." *Southern Review of Public Administration* **2, no.3 (December 1978): 325-44.** There are a number of institutional weaknesses in small communities, including: (1) difficulties in foreseeing potential problems and taking preventive action, (2) officials lack of time, training, or experience to deal effectively with complex, technical problems, (3) decentralization of authority which makes decision making difficult, and (4) failure to carry out policies. Despite the apparent shortcomings of local governments, many communities are likely to be wary of state attempts to improve municipal management. However, there are some policy options with which state government might encourage improved management in small communities, such as: (1) increasing the employment of management personnel, (2) subsidizing employment of professional managers, (3) utilizing circuit-rider managers, (4) improving technical assistance, (5) contracting for major services with private consultants, and (6) establishing regional planning agencies, and (7) improving state-local liaison.

Johnson, Carl F. and C. J. Hein. "Assessment of the Council-Manager Form of Government Today: Managers Meet the Challenge Through Balance. *Public Management* **6 (July 1985): 4-6.** The council-manager form of government is assessed in terms of fiscal responsibility, responsiveness to citizen's needs, especially the needs of members of deprived groups, and the relations between the manager and the council.

Kemp, Roger L. "The Council-Manager Form of Government in the USA." *Cities* **3 (February 1986): 78-80.** The article provides a discussion of the different forms of local government in use, the history and growth of the council-manager plan, and the role to be played by the city manager.

Klingner, Donald E. "The Personal Liability of State and Local Personnel Directors: Legal, Organizational, and Ethical Implications." *Public Personnel Management* **17, no. 2 (Summer 1988): 125-134.** In an increasingly litigious society, public personnel administrators are particularly concerned about potential liability issues in the following areas: (1) product liability; (2) workplace safety; (3) affirmative action; (4) sexual harassment; (5) employee privacy; and (6) due process violations. State and local government personnel departments and directors were surveyed in 1984 to determine what measures were being taken in response to these liability issues. A total of 88% of responding administrators expressed concern over their personal liability. Affirmative action, followed by due process, employee privacy, and sexual harassment, were considered the most important liability issues. The most common strategies in response to liability issues were to hire attorneys in cases of lawsuits and to train and orient employees to help avoid lawsuits and reduce agency liability. It appears that personal liability is a critical issue for the training and practice of public administrators.

Lewis, Edward B. "The County Administrator and Productivity Improvement: An Examination of Contrasting Styles." *International Journal of Public Administration* **8, no. 4 (December 1986): 369-90.**

McGregor, Eugene B., Jr. "Human Resource Puzzle: Strategic Management of a Strategic Resource." *Public Administration Review* **48, no. 6 (November-December 1988): 941-950.** The role of human resources in modern production systems has changed the significance of the human resource management (HRM) field and the criteria by which its success is judged. In postindustrial systems, productivity is based on the knowledge, skills, and abilities of the trained human intellect. The importance of human capital, a stock of human capacity to produce goods and services from that knowledge, is not well understood. Strategic management of the public workforce refers to managing the availability of people through the HRM cycle in ways that meet the strategic operating requirements of agency programs, productivity goals, and resource is required when people are the resource without which agency productivity becomes impossible. Strategic management of a strategic resource is needed when the strategic goals of an agency are fused to the human capital required to produce the desired results.

Newell, Terry. "Developing Managers: Myth of the Disappearing Manager." *Bureaucrat* **16, no. 2 (Summer 1987): 37-41.** Just as the great number of employees of the "baby boom" age are reaching the age at which they hope for advancement into management, the federal government, as well as other companies, are reducing the number of managerial jobs. This dilemma can be resolved by giving workers more managerial tasks even though they will not be placed in managerial jobs. This solution is supported by several conditions existing in federal government organizations such as: (1) As faster response items are needed, decisions need to be made where the information is, which requires that more employees behave like managers; (2) A decrease in the number of middle managers means less immediate supervision is possible, increasing the need for discretionary decision making at lower levels; (3) Because of higher education levels, changing values, and more concern for pluralism, workers want more autonomy in their jobs; and (4) With technology, information is available at all levels of the organization. The challenge will be to understand the current changes, broaden staff use, reward success, and appropriately use technology.

Olander, Robert L. "Referendum Survival Techniques." *Public Management* **67 (July 1985): 11-13.** The article details the experiences of the city manager of Ocean Shores, Washington, gained from two referendums held on abandoning the council-manager form of government. The author also includes a discussion of the results of council-manager referendums held since 1980 in the United States.

Russo, Philip A. and Others. "Rural Government Management and the New Federalism: Local Attitudes in Southwestern Ohio." *Publius* **17 (Fall 1987): 147-59.** The article provides an analysis of the results of a survey of local official's technical assistance needs.

"Strategic Issue Management: Improving the Council-Manager Relationship." *Management Information Service Report* **18 (June 1986): 1-12.**

Svara, James H. "Understanding the Mayor's Office in Council-Manager Cities." *Popular Government* **51 (Fall 1985): 6-11.**

Svara, James H. "Council-Manager Relations and the Performance of Governing Boards." *Popular Government* **54 (Summer 1988): 27-32.** The author uses 1987 survey data collected from city and county managers in North Carolina to assess questions on the amount of conflict that exists in decision making and the level of involvement of the board, as well as a series of other questions.

Svara, James H. "Characteristics, Contributions, and Values of City and County Managers in North Carolina. *Popular Government* **55 (Fall 1989): 11-19.** The author discusses the results of a 1987 survey of managers in North Carolina regarding the degree of professionalism among managers. Results regarding the managers involvement in the governmental process, their attitude toward the governing board, and the values that shape their roles are also presented.

Svara, James H. "Is There a Future for City Managers? The Evolving Roles of Officials in Council-Manager Government." *International Journal of Public Administration* **12:2 (March 1989): 179-212.** Changes in the roles of elected officials in council-manager government have significant implications for the position of the manager as a professional public administrator. If the council carries activism and constituency service to the point of undermining the professionalism of the manager and staff and if mayors take on executive tasks, the form of government itself will be threatened. These consequences are not necessary results of current trends. The role of the manager will continue to change but does not have to be undermined by the expanding contributions of elected officials. The dichotomy-duality model provides a framework for resolving some of the apparent conflicts in roles as officials become involved in each others' formerly separate spheres. Complementary roles may be identified for the manager, the mayor, and council members that represent a blending of greater parts of both professional and political leadership in city government.

"The Management Evolution." *Public Management* **69 (June 1987): 2-24.** Presented are a series of eight articles on the evolution and changing role of the city manager in United States local governance.

West, Jonathon P. and Charles Davis. "Administrative Values and Cutback Politics in American Local Government." *Public Personnel Management* **17, no. 2 (Summer 1988): 207-222.** Klingner and Nalbandian maintain that cutback management represents an institutional response to conflict among 4 values underlying public sector human resource management. These include: (1) political responsiveness; (2) social equity; (3) individual rights; and (4) administrative efficiency. This approach was used to analyze budgetary cutbacks in US local governments. A total of 357 personnel directors from 1,026 municipalities responded to a survey regarding institutional policies and management strategies and their attitudes toward certain personnel issues. Findings revealed a tendency for local governments to consider cutbacks in administrative overhead before cutbacks in programs or personnel. In addition, political responsiveness was found to be associated with spending reductions in administrative services and most program areas. However, the hypotheses regarding social equity values were unsupported, and administrative values indexes were unrelated to most cutback decisions.

Whorton, Joseph W. Jr. "The Culture of University Public Service: A National Survey of the Perspectives of Users and Providers." *Public Administration Review* **46 (January-February 1986): 38-47.** The author examines the extent to which public officials use university-based consultant services and their quality, as compared with services from private sector consultants. Information for the article was obtained through questionnaires submitted to directors of university institutes, centers, and bureaus of government, to city and county managers, and to state executive and legislative officials.

Wikstrom, Nelson. "Toward a More Democratic Council-Manager Plan: Tempering Managerial Expertise with Politics." *Virginia Social Science Journal* **20 (Winter 1985): 77-85.**

B. The Delivery of Services

Agranoff, Robert and Alex N. Pattakos. "Local Government Human Services." *Baseline Data Report* **17 (April 1985): 1-20.** The authors provide an examination of the financing methods, groups served, and modes of service delivery of county and city governments.

Ammons, David N. and Joseph C. King. "Productivity Improvement in Local Government: Its Place Among Competing Priorities." *Public Administration Review* **43 (March-April 1983): 113-20.**

Banovetz, James M. (ed). *Small Cities and Counties: A Guide to Managing Services.* **Washington, DC: International City Management Association, 1984.** The book is written for and about small and mid-sized governments, describing how they are and how they should be managed. Emphasized is the relatively small population of these places and the immediate and personal nature of the work in these communities. Specifically the text focuses on the management of the general-purpose local government that operates closest to the people, regardless of whether that general purpose local government is a city, a county, a village, or a town. All of these governments share common management concerns and address similar management problems. Included are chapters on the growing challenge of managing local government today; the legal aspects of local government; the office of the clerk; planning; economic development; public works; emergency services and disaster planning; police services; fire services; leisure services; human services; financial planning and management; personnel management; communicating with the public; intergovernmental relations; and coordinating management in local government.

Bender, L.D. "The Role of Services in Rural Development Policies." *Land Economics* **63, no. 1 (1987): 62-71.** The author examines the literature concerned with the economic rationale proposing that a new perspective of the role of services in regional economic development is appropriate. The methods and procedures of the data analysis, services, wages and the derived demand for labor are briefly addressed. The author concludes that services should be considered in regional development plans, but for reasons and in ways that are traditional rather than new. "Direct subsidies by authorities to service activities because they are assumed to be footloose may be an inappropriate general regional development emphasis. In contrast, the attraction and retention of residents who receive non-work income, and other conventional types of basic activities would still appear to be prime development targets in many rural areas."

Bryan, John L. and Raymond C. Picard (eds). *Managing Fire Services.* **Washington, DC: International City Management Association, (1979).** The emphasis of the text is on the functional, evaluative, and management aspects of the fire service, with less emphasis of the technical aspects of community fire protection. The discussion centers on demonstrating that fire departments can be managed to provide effective emergency fire and medical services on an immediate needs basis.

Cristofano, Sam M. and William S. Foster (eds). *Management of Local Public Works.* **Washington, DC: International City Management Association, 1986.** The text examines several issues of managerial concern to local government public works officials, including information, planning, communication, law, purchasing, finance, and personnel. Also examined are the operational and technical aspects of public works, including engineering, contract management, equipment management, buildings and grounds management, transportation, water resources, solid waste management, air quality control, and code administration. The text is published in cooperation with the American Public Works Association.

Gamire, Bernard L. (ed). *Local Government Police Management.* **Washington, DC: International City Management Association, 1982.** The text was written to provide police chiefs and other command officers with information on or contemporary principles and practices for police management. Also discussed are the latest methods which have been designed for police department operations. The book is designed to serve police officers and to meet the educational and training needs of police instructors and students.

Heim, J. P. "Causes of Dissatisfaction with Service Delivery Systems: Identification and Utilization of Survey Data in a Small City." In *The Small City and Regional Community.* **Volume 5, 265-70. Stevens Point, WI: Center for the Small City and Regional Community, 1982.**

"Jacksonville Services Linked: All Government Services Integrated Into County-Wide Computer Network." *American City and County* **104 (April 1989): 51.**

Kelly, Joseph T. *Costing Government Services: A Guide for Decision Making.* **Chicago, IL: Government Finance Officers Association, (1984).** The author provides a guide for the use of cost analysis in managerial decision making. Also presented are the fundamental ideas that underlie cost analysis. To assist the reader in using cost analysis, the author demonstrates simple methods by which basic concepts can be used to solve practical problems.

League of Oregon Cities. *City Services to be Consolidated for Alternative Delivery Approaches: A Guide for Oregon City Officials and City Staff.* **Salem, OR: League of Oregon Cities, 1984.** Provided is a discussion of alternative methods of service delivery. Among the alternatives to the traditional methods of delivery discussed are contracting with private agencies, intergovernmental agreements, and the use of volunteers. Also addressed in the text are efforts by city officials to apply more user charges and fees.

Lovejoy, Stephen B. and Janet S. Weitz. "Service Satisfaction and Length of Residence Are Research Contradictions: A Measurement Problem?" In *The Small City and Regional Community.* **Volume 6, 189-96. Stevens Point, WI: Center for the Small City and Regional Community, (1984).** The authors address the question of whether increases in population should be celebrated as a rebirth for rural communities or the forewarning of problems to come spawned by an overwhelming of the newcomers. Reasonable rates of increase may be advantageous, but the article views higher rates of increase as likely to create structural problems in the provision of services. Previous studies examining the relationship between length of residence and satisfaction with services provided has been contradictory, however, the authors suggest that the contradiction in results may be the result of methodological artifacts. They identify a number of contributing variables which can effect the relationship: income, age, and education for instance. The results of the study conducted by the authors indicates that those new to a community are less satisfied with services than are long time residents. Results also indicate that the newcomers are younger and better educated and are the more likely to become involved in the community.

Marlin, John Tepper. *Contracting Municipal Services: A Guide for Purchase from the Private Sector.* **New York, NY: John Wiley and Sons, Inc., 1984.** The author seeks to provide assistance to those considering privatization of a service. The text gives direction on how to evaluate the advantages and disadvantages of buying services from the private sector.

McNally, V. P. "Community Fire Protection and Volunteer Fire Service." *The Small City and Regional Community,* **Volume 5, 279-84. Stevens Point, WI: Center for the Small City and Regional Community, 1982.**

Murdock, S. H., D. E. Albrecht, K. Backman, R. R. Hamm, and L. B. Potter. "Demographic, Socioeconomic and Service Characteristics of Rural Areas in the United States: The Human Resource Base for the Response to the Crisis." In *Farm Financial Crisis: Socioeconomic Dimensions and Implications for Producers and Rural Areas,* **edited by, S. H. Murdock and F. L. Leistritz, 45-69. Boulder, CO: Westview Press, 1988.** The size, distribution and characteristics of the rural population in the United States are factors which have significantly limited the magnitude and types of response from rural areas to the farm sector crisis in the 1980s. The article examines the demographic and socioeconomic characteristics of rural areas and their service bases in 1980. Demographic adjustments within the agricultural, non-farm and urban sections of the rural population are considered. Furthermore, demographic characteristics such as age, sex and race, as well as socioeconomic characteristics such as income, education and employment patterns, are discussed. The number and relative status of services in areas with small and large populations are compared. At the time when the agricultural crisis in rural America intensified, its population was ill-prepared to weather an economic downturn in income, service bases and fiscal resources.

Ohren, J. F. "The Planning Process in the Small City." In *The Small City and Regional Community*, **Volume 5, 193-97. Stevens Point: WI: Center for the Small City and Regional Community, 1982.**

Pennington, Mike. "Automating County Clerk Functions." *American City and County*, **103 (September 1988): 22.**

Roberts, Sandra. "Municipal Service Delivery Arrangements in Illinois." In *The Small City and Regional Community***Volume 8, 150-58. Stevens Point, WI: Center for the Small City and Regional Community, 1988.** The article focuses on the method of service delivery in small or medium sized municipalities in the State of Illinois, in an effort to determine the extent to which these communities contract for the provision of services either with private firms or with other governments, and the kinds of variables that influence service provision decisions. Data for the analysis was provided by questionnaires sent to a stratified random sampling of Illinois municipalities requesting information on seven service areas: police, fire, refuse collection, sewer service, parks and recreation, street repair, and snow removal. Among the results presented in the analysis are: (1) local government contracting with private companies for service production is widely practiced in Illinois; (2) the majority of services are produced in-house (the exception being solid waste disposal where 67% contracted out); (3) local officials appear willing to contract out segments of all kinds of services, but are more reluctant to do so in the more socially sensitive areas, such as police and fire protection; and (4) most officials (95%) found contracting to be convenient and cost-effective. The article points out that nearly one-third of the responding municipalities contracted privately for one or more of the following services: legal, engineering, labor relations, insurance, debt collection, laboratory, or planning and zoning. Approximately one-quarter contracted for such services as: janitorial service; elevator inspection, mowing, weed cutting, tree trimming, mosquito abatement, or street lighting. Approximately 20% contracted for economic development work and approximately 10% for ambulance service, bus service, or mass transit. Also provided by the author is a literature review of work done in the area of private contracting for services.

Slater, David C. *Management of Local Government Planning.* **Washington, DC: International City Management Association, 1984.** The book centers on the interrelatedness of planning and management in local government and how local government planners can be more effective in solving problems through the government process. Described in the text are the ways in which the planning process is being redefined as it becomes part of the mainstream of city and county government.

Smith, Alan D. "Meeting the Challenge of Linking Operations: Integrating All Functions and Systems Into a Working Reality." *American City and County* **104 (September 1989): 108-113.**

U.S. Bureau of the Census. Governments Division. *County Government Employment in 1984.* **Washington, DC: Government Printing Office, August 1985.**

Yessian, Mark R. "Toward Effective Human Services Management." *Public Administration Quarterly* **12, no. 1 (Spring 1988): 115-132.** The US Office of Personnel Management (1985) produced a competency-based model of managerial performance called the Management Excellence Framework, which identifies 10 basic characteristics associated with effective management and correlates them with various levels of responsibility. For managers at the organizational level, important characteristics are: (1) a broad perspective; (2) a strategic view; and (3) environmental sensitivity. At the team level, successful managers demonstrate: (1) leadership; (2) flexibility; (3) action orientation; and (4) a focus on results. Managers with success at the personal level show abilities in: (1) communication; (2) interpersonal sensitivity; and (3) technical competence. Although these assessments are intended to be pertinent to all kinds of human service organizations, they are directed mainly toward large agencies of state, local, and federal governments.

C. The Role of Technology in Local Government

Behling, Robert. *Computers and Information Processing.* **Florence, KY: Wadsworth, 1986.** The author emphasizes data communications, teleprocessing, data processing, and computer security.

Berry, Timothy. *Working Smart with Electronic Spreadsheets.* **Harbrouk Heights, NJ: Hayden Book Company, 1984.** The book illustrates how spreadsheets can be used to the benefit of managers. Models for forecasting, budgeting, investment analysis, cash flow analysis, and business plan generation are demonstrated.

Danziger, James N. and Kenneth L. Kraemer. *People and Computers: The Impacts of Computing On End Users in Organizations.* **New York: Columbia University Press, 1986.** The authors present the results of a study of 2500 managers, professionals, and clerical workers in local government. Questions such as the level at which computing is used; the impact on worker's productivity; and the effects on the work environment are examined.

Griesemer, James R. *Microcomputers in Local Government.* **Washington, DC: International City Management Association, 1983.** Written as part of the Practical Management Series, the text supplies manager, elected officials, and department heads with a nontechnical reader on computers.

Hoover, Ryan E. *Executive's Guide to On line Information Services.* **White Plains, NY: Knowledge Industry Publications, 1985.** The author provides an explanation of what equipment is needed to tap on to line services, how such services work, and what the services cost. Also described is the vast array of information now available on line, including data on companies and products, economic forecasts, investments, demographics, legal decisions, and technical research and development.

Knight, Fred S., Harold E. Horn, and Nancy J. Jesuale (eds). *Telecommunications for Local Government.* **Washington, DC: International City Management Association, 1982.** The book, written as part of the Practical Management Series, provides a description of cable and other systems and how they are used, as well as guidelines for telecommunications planning.

Miller, Edward J. "Technology and the Small City." In *The Small City and Regional Community,* **Volume 6, 343-50. Stevens Point, WI: Center for the Small City and Regional Community, 1984.** The author provides a summarization of the impacts that the technological revolution has had and will have on small cities. The technological revolution has brought computers, improved farming methods, and telecommunications, manufacturing, and transportation changes to rural America. The author cautions that advances in technology alone should not be expected to solve the many problems facing rural communities. Problems such as poverty, the poor economies facing the farmers, inadequate housing, deteriorating downtowns, and an unskilled workforce. High technology should not be viewed as a panacea for rural communities. Communities should be aware that: the jobs offered by high technology will be competed for heavily and only a few communities will get them; high technology companies typically need fewer employees than the traditional industries; and the side effects of moving toward high tech industries is still an unknown.

Norris, Donald F. "Small Local Governments and Information Management." *Government Publications Review* **12 (1985): 403-410.** The past 10 years has seen a revolution in computer technology which has produced small, powerful, inexpensive computing devices that are easy to use and can be applied to a wide range of local government activities. Additionally, user-friendly generic and packaged software is becoming available for use with many governmental functions. Small local governments (cities under 50,000 and counties under 100,000) are adopting computer technology at rates higher than a decade ago. However, they lag behind both larger governments and business in computer adoption. Nevertheless, if procurement trends continue and announced plans come to fruition, local government could become a substantial market for computer technology. Most small governmental computers are used for automation of basic "housekeeping" activities such as financial management, word processing, and record keeping, which is highly consistent with larger government business uses of computers.

Norris, Donald F. *Microcomputers and Local Government.* **Washington, DC: International City Management Association, 1986.** The text is written for the local government manager or employee interested in basic information about microcomputers, software, and applications.

Perlin, Neill. *Business Technology for Managers: An Office Automation Handbook.* **White Plains, NY: Knowledge Industry Publications, 1985.** The text provides a discussion which explains how to take advantage of office automation, including electronic mail, computer graphics, local are networks, decision support systems, voice recognition, and access to on line date bases. Also provided by the author are discussions of how to select a vendor, equipment reliability, service, training, and education.

Scoggins, John and Others. "Computer Use in Local Government." *Baseline Data Report* **17 (September 1985): 1-14.** The article is based on the results of a survey sent to cities and counties with populations in excess of 25,000 and to a sampling of those between 10,000 and 25,000 population. The authors examine the current and future status of computer technology in city and county government.

Sedlak, Joseph F. "Major Trends, Small Cities, and Appropriate Technologies." In *The Small City and Regional Community,* **Volume 6, 13-28. Stevens Point, WI: Center for the Small City and Regional Community, 1984.** The article examines the appropriateness of high technology for use in small city planning and management. The author argues that high technology should not simply be considered as a method of generating jobs but as a technique for improving the effectiveness of the governmental unit. Promoting high technology for the development of jobs is probably misdirected because; (1) high technology has not created as many jobs as predicted and will probably not replace the large number of industrial jobs being lost; (2) high technology jobs typically do not pay as well as the industrial jobs; and (3) the communities losing the industrial jobs are not likely to attract high technology jobs, as these usually go to urban or university communities. However the use of high technology does hold out promise for increasing the effectiveness of management and planning in rural communities. The author also provides a discussion of the purchasing of hardware, software needs in the areas of planning land use, energy use, and environmental concerns, and the need for networking.

Smith, James. *Documenting an Organization's Computer Requirements.* **New York: John Wiley & Sons, 1985.** For those organizations considering for themselves their computer requirements the author provides, in workbook format, a text for determining their requirements. To assist in the study of need, worksheet examples are provided.

Telecommunications in Local Government, Issues, Strategies, and Energy Management Aspects. **Washington, DC: Public Technology Inc., 1983.** A study that asserts that telecommunications and data processing technologies offer perhaps the best opportunities for improving productivity and efficiency in the work of local government.

IV. ENVIRONMENTAL CONCERNS

A. Energy Concerns

Christensen, D. E., C. Robertson, and M. Besal. "Energy Planning in Carbondale, Illinois." In *The Small City and Regional Community,* **Volume 5, 81-85. Stevens Point, WI: Center for the Small City and Regional Community, 1982.**

DiFiore, B. and T. H. Aiken. "Cutting Municipal Energy Consumption: The Ballwin, Missouri Experience." *The Small City and Regional Community,* **Volume 5, 96-100. Stevens Point, WI: Center for the Small City and Regional Community, 1982.**

Feldt, A. G. and M. L. Hassett. "A Format for Energy Conservation Planning in Small Cities and Counties." In *The Small City and Regional Community,* **Volume 5, 53-58. Stevens Point, WI: Center for the Small City and Regional Community, 1982.** The authors state that historically the time, effort, and money required to design and implement a energy conservation plan has been prohibitive for smaller towns and counties. To counter this trend the article describes an energy conservation program designed by a group from the University of Michigan for the U.S. Department of the Interior that can easily be adapted by small cities an counties. The process as designed consists of seven stages which may be repeated or revised as necessary to meet local needs. The seven stages are: (1) completing an energy profile; (2) creating a rough energy audit for each major energy use in the community; (3) transferring estimated audit figures by individual use to a set of "fuel and uses" sheet; (4) consulting the "conservation energy appendix"; (5) filling out a "conservation strategy worksheet" for a particular conservation strategy applied to a particular fuel and end use; (6) completion of a "energy planning matrix"; and (7) development of the conservation plan. Descriptions of what is included in each phase and how that phase is implemented is included in the article. Also included are figures providing examples of a completed project.

Jeppesen, J. C. "Community Energy Action and Sequential Learning." In *The Small City and Regional Community,* **Volume 5, 65-72. Stevens Point, WI: Center for the Small City and Regional Community, 1982.**

Kron, N. F. Jr. "A Modest Proposal: Notes on Making Your Small Community an Energy Showcase." In *The Small City and Regional Community,* **Volume 5, 59-64. Stevens Point, WI: Center for the Small City and Regional Community, 1982.** Provided is a discussion of the advantages to be gained by a community becoming an energy showcase. The reasons provided include: renewal of community spirit and independence; using showcase status to promote needed capital improvements; increasing the respect of outsiders for the community; increasing the likelihood of obtaining outside investment; slightly increased tourism; increased potential for winning national awards; and benefits from implemented energy programs, including increased dollars available to the economy. Also included in the article is a discussion of the factors contributing to becoming an energy showcase, including: aggressive management; frequent media contacts; cultivation of support; technical evaluations; highly visible problems; and the use of advanced energy technologies. The author points out that the costs range for becoming an energy showcase, but some programs have been organized with very little funding and in a short period of time. Discussions of various energy showcase communities are provided as examples.

Miller, E. J. "Energy Management by Small City Governments." In *The Small City and Regional Community,* **Volume 5, 409-15. Stevens Point, WI: Center for the Small City and Regional Community, 1982.**

Sargent, C. A. "Community Energy Planning in the Midwest." In *The Small City and Regional Community,* **Volume 5, 73-75. Stevens Point, WI: Center for the Small City and Regional Community, 1982.**

Young, D. F. "Energy Policy for the Small City." In *The Small City and Regional Community,* Volume 5, 111-13. Stevnes Point, WI: Center for the Small City and Regional Community, 1982.

B. Recycling Efforts

Goldoftas, Barbara. "Recycling: Coming of Age." *Technical Review* **90 (November-December 1987): 28-35.** The article examines the existing trends in waste disposal for local governments. Also examined are the economic and environmental benefits recycling holds for units of local government. A case analysis of the recycling program created by Wilton, New Hampshire in 1979, is also provided.

Jarosz, Lucy. "Recycling Efforts in Small Cities: The Role of Citizen Volunteers." In *The Small City and Regional Community,* **Volume 6, 297-302. Stevens Point, WI: Center for the Small City and Regional Community, 1984.** The author provides a brief overview of the nature, role, and necessity of citizen participation in community recycling activities. More specifically the author is concerned with the method of recycling termed source separation: the setting aside of recoverable materials at the point of origin--home, office, school, or business--and then dropped off at a designated collection point. The goal of such a program is to reduce waste, extend landfill capacities, generate community pride, and promote environmental awareness. The benefits attributed to such a program include: (1) the technology of this type of program are less complex so the costs of such a program are less; (2) separating the materials before dropping them off saves time, money, and energy; (3) source separation can be tailored for individual communities; and (4) community programs can yield societal benefits. In considering the use of a source separation program the author suggests a community consider whether there is a local market available, where the operation and recycling centers are to be located, and the type of center to be set up. The article provides five basic steps in starting a program: (1) consider the program a part of the community because the local economic and political environments will have an impact on the program; (2) determine who in the community will have a strong interest in such a program and meet and work with these people; (3) determine what types of waste is available for recycling in the community; (4) find out where markets for the recycled materials are located, their collection schedules, and the prices to be paid; and (5) find out about other past, current, and planned future efforts to recycle in the same community. The author states the key to the success of such a program rests in developing community pride and awareness. Also provided in the article is a discussion of the history of the recycling effort and of several such recycling programs in small communities throughout Wisconsin.

Polcysnki, Len. "The Benefits of Recycling for Small Cities." In *The Small City and Regional Community,* **Volume 6, 303-14. Stevens Point, WI: Center for the Small City and Regional Community, 1984.** The article discusses the economic and environmental aspects of the solid waste disposal problem confronting local governments. The author argues that local governments have too long relied on landfills as the single solution to dealing with solid waste disposal and that alternatives to landfills must be considered. Alternatives to landfills are discussed in the article and the economic and social benefits of recycling are emphasized. The recycling options discussed in the article include: mandatory beverage container deposit laws; cutting on the use of excessively packaged single-use products; and converting solid waste into energy. The author lists the benefits of recycling as saving energy, conserving resources through less need for virgin materials, reduces pollution (air, water, and land), and makes and saves dollars. Also presented in the article are discussions of seven recycling programs being conducted in Wisconsin and an analysis of the type of solid waste found in Wisconsin. The author cautions that for a recycling program to be successful in a small community, the community must be made aware of the benefits of the program. Recycling programs are typically associated with inconvenience, individual efforts are viewed as insignificant, landfills are viewed as "cheap", there is generally a lack of community leadership, and markets for materials are seen as scarce. All of these negatives must be overcome through a community awareness effort in order to gain public participation and for a program to be successful.

C. General Concerns

Adams, S. A. Hamilton and B. A. McCarl. "The Benefits of Pollution Control: The Case of Ozone and U.S. Agriculture." *American Journal of Agricultural Economics* **68, no. 4 (1986) 886-93.** The authors report on an assessment of the benefits to agriculture arising from reductions in ambient ozone pollution. The estimates in the study are derived using recent plant science data as input for a spatial equilibrium model of U.S. agriculture. Sensitivity of benefit estimates to biological and economic sources of uncertainty is also investigated. The results suggest that the benefits of a 25 percent reduction in ambient ozone are substantial, amounting to $1.7 billion.

Buckeye State Job a STEP Ahead. *Water and Engineering Management* **135, no. 4 (April 1988): 30-34.** New and upgraded wastewater facilities collect and treat discharges from 1,500 homes in the 9 small communities located around Buckeye Lake in central Ohio. Because of its flat terrain and high groundwater level, the area was not suited to a conventional gravity sewer system. Consulting firm URS Corp. solved the problem by installing septic tank effluent pumping (STEP) systems. The STEP systems push wastewater under pressure through small-diameter lines regardless of slope or terrain. Because the lines are pressurized and watertight, there is no groundwater infiltration. With STEP, each home is served by a watertight polyethylene pumping septic tank. Solid waste settles to the bottom of the tank and decomposes, while liquid waste is pumped into the pressurized lines which carry it to the treatment plant. the project also involved upgrading the existing treatment plant and laying 3 STEP pipelines across the bottom of Buckeye Lake. The innovative STEP program qualified for a $1 million grant from the Farmers Home Administration.

Carriker, Roy. "Linking Natural Resource Policies with Rural Development Goals." *Rural Development Perspectives* **6 (October 1989): 13-16.** The article discusses the conflicts that have arisen between federal environmental policies and the efforts of local governments. The author proposes and describes the use of the "cross-compliance" plan.

Chicoine, D. L. and G. Rammamurthy. "Evidence on the Specification of Price in the Study of Domestic Water Demand." *Land Economics* **62, no. 1 (1986): 26-32.** The authors empirically test a hypothesis concerning the price to which consumers respond when potable water is sold under a declining block rate structure. The test uses household level data from a sample of Illinois rural water district customers and follows procedures outlined by Opaluch.

Conn, W. David. "Managing Household Hazardous Waste." *American Planning Association Journal* **55 (Spring 1989): 192-203.** The article is concerned with local government planning issues in assessing the risks, costs, and disposal methods for household hazardous waste. Also provided is a discussion of "collection day events" and other household hazardous waste programs.

Fritsch, Albert J. and Timothy Collins. *Rural Poverty and Environmental Issues: An Examination of Theoretical Linkages.* **Livingston, KY: Appalachia-Science in the Public Interest, 1989.** The paper seeks to examine the theoretical perspectives that might explain why rural areas appear to suffer a disproportionate amount of environmental burdens in relation to their economic position. As the geographic area between the urban and rural areas continues to shrink, rural areas are finding themselves the victims of environmental problems created by the urban areas. The problems they are confronting include problems with air & water quality, solid waste disposal, and increased dumping of toxic wastes. The authors offer suggestions for research that might assist in developing policy options.

Gordon, Myra. "From Garbage Barge to "Landfull": Problems and Prospects in Solid-Waste Recycling." *The Small City and Regional Community,* **Volume 8, 127-36. Stevens Point, WI: Center for the Small City and Regional Community, 1988.** Providing local recycling programs to cope with ever increasing solid waste problems is the focus of the article. The author first discusses those factors that make recycling an attractive alternative, including: (1) problems being experienced with landfills, including the unexpected changes that can cause a decrease in the life of a landfill, the difficulty in finding new sites (most landfills now take at least five years to site), and (3) current sites may become undesirable as concerns such as groundwater contamination begin to surface. This discussion is followed by an examination of the recycling program being used in Bloomington-Normal, Illinois and then an analysis of the problems and prospects for recycling as an answer to the solid waste dilemma being faced by many communities today. Among the problems and issues concerning recycling to be considered by a community are: (1) the difficulty in carrying out adequate planning for a recycling program; (2) should the program be city run, run by a city funded non-profit group, such as the case example in the article, or contracted for with a for-profit recycler; (3) will funding be available, since most recycling programs require additional funds or they would run in the red; (4) who will provide additional funding for the recycling program; (5) what happens if every one starts recycling, will there be a market for the recyclable materials; and (6) how will the varying nature of solid waste materials be dealt with. Also discussed in the article are successes that have been experienced in the field of recycling.

Grizzle, Charles L. "Financing Environmental Infrastructure: A National Challenge." *Municipal Finance Journal* **10 (Fall 1989): 231-39.** The author provides a discussion of the problems being confronted by local governments because of the expansion of environmental programs and activities at the federal level. The article provides a review of the use of public/private partnerships as an alternative financing mechanism.

"Ground Water Protection: A Planning Process for Local Government." *Connecticut Government* **38 (Winter 1987): 5-8.**

Hanford, Priscilla L. and Alvin D. Sokolow. "Mandates as Both Hardship and Benefit: The Clean Water Program in Small Communities." *Publius* **17 (Fall 1987): 131-46.**

Holmberg, Mike and Preston Smith. "Groundwater Laws are the Rule." *Successful Farming* **88 (Mid-February 1990): 18-19.** The authors discuss the ground water protection laws and regulations that were passed in 1989 and those that are being considered for passage. The authors summarize the laws, regulations, changes, and modifications made in the area of groundwater protection in nine states. The state discussed in the article are Wisconsin, Minnesota, South Dakota, Montana, Kansas, North Dakota, Missouri, Michigan, Iowa, and California.

Jones, S. A. "Natural Resource Inventories: Their Use as Town Planning Tools." In *The Small City and Regional Community,* **Volume 5, 393-97. Stevens Point, WI: Center for the Small City and Regional Community, 1982.**

Kamieniecki, Sheldon. "Environmental Policy and Aspects of Intergovernmental Relations." In *Intergovernmental Relations and Public Policy,* **edited by, J. Edwin Benton and David R. Morgan, 49-61, 1986.** The author provides a discussion of intergovernmental cooperation in the management of toxic waste sites. Included in the discussion are examinations of the costs and potential financial and legal liabilities of abatement; the necessity for technical and financial assistance at the state and local level; the public and political pressure that may be experienced; complications between governmental units that may arise; and the agency jurisdiction or responsibility for site cleanup.

Murray, James M. and Michael N. Macaulay. "Evaluating the Potential for Waste Energy Projects and Their Relationship to Economic Development for Small Cities." In *The Small City and Regional Community,* **Volume 7, 247-55. Stevens Point, WI: Center for the Small City and Regional Community, 1986.** The article outlines the variables which should be considered when 7communities evaluate the option of switching to waste incineration and heat recovery type system. The authors argue that many communities are being forced to consider such an option as current systems continue to contaminate groundwater, landfills have problems with gas seepage, and communities confront an increasing scarcity of available and acceptable landfill sites. The variables which should be considered are: (1) can the system be justified on a cost-benefit basis; (2) is a sufficient waste stream available to support an economically efficient system; (3) to be self sufficient the system must have buyers for the energy output; (4) the location should be dictated by energy needs; (5) capital costs; (6) operating costs; (7) air emissions standards; and (8) maintenance.

Napier, T. L., S. M. Camboni, and C. S. Tharen. "Environmental Concern and the Adoption of Farm Technologies." *Journal of Soil and Water Conservation* **41, no. 2 (1986): 109-113.** Data for the author's analysis was collected in 1982 from 918 farmers living in nine Ohio counties. The study identified factors that might predict attitudes toward environmental concern when farmers make decisions about adopting new farm technologies. The authors constructed a composite scale from four items assessed the relative importance of several environmental issues in the adoption decision-making process. Personal characteristics, farm structure variables, and selected sources of information were used as predictive variables. Risk-bearing orientation and acres farmed significantly reduced (by 26.5%) the unexplained variance in the dependent variable. These findings are discussed in the context of action programs to reduce environmental degradation.

Opportunities for Environmental Enforcement and Cost Recovery by Local Governments and Citizen Organizations." *Environmental Law Reporter* **18 (May 1988): 10165-74.**

"Poor Rural Counties." *Environment Reporter* **20, no. 50 (April 13, 1990): 1961.** The article discusses how poor, rural counties are slighted by the superfund's hazard ranking system. The system gives priority to sites that threaten more people. However, the article notes that once listed sites tend to be handled normally.

Scanlon, Raymond D. (ed). *Hazardous Materials, Hazardous Waste: Local Management Options.* **Washington, DC: International City Management Association, 1987.** The article discusses what can be done at the local government level in waste minimization, transportation safety, facilities siting, and planning for accident prevention and emergency response. The author provides an overview of these issues, as well as generation and storage, transportation, collection and disposal, and planning and response.

Simmons, James R. "From Toxic Crisis to Burning Issue: One Community's Response to the Waste Issue." In *The Small City and Regional Community* **Volume 8, 111-26. Stevens Point, WI: Center for the Small City and Regional Community, 1988.**

Steinwachs, Marie. "A Report on Household Hazardous Waste Management." *Resource Recycling* **8 (September 1989): 20-23.** The article provides a discussion of typical obstacles to the effective management of hazardous waste. Also provided by the author is a discussion of various types of collection programs and consumer education.

RURAL SOCIAL SERVICE

Bikash R. Nandy and Elena M. Sliepcevich
Southern Illinois University at Carbondale

Social service is an eternal phenomenon. It has existed in the past since ancient times in many forms; it exists now; and it will exist in the future, perhaps, in a more complex way. Along with social progress, a large segment of the population has always been in need of social service. The need for social service also exists in the rural communities. Traditionally, this need has been met by an informal helping network of relatives, friends and neighbors and often has remained hidden and unrecognized. The recent farm financial crisis in rural America has retarded this rural virtue. The rural communities themselves are under terrible financial pressure and are in need of organized social service support for themselves for their survival and well-being. The overall quality of life in the rural communities is now shattered by a variety of problems which have been reflected in recent articles and publications.

In this annotated bibliography on rural social service, we have included articles by many authors and researchers who have re-examined many of the most fundamental questions relating to rural social service issues and concerns, many of which are directly related to rural areas and have particular relevance. The authors have discussed the roles and missions of social service as it has been provided to the people who need such services for survival, humanity and liberty.

Like rural health, rural social service is no isolated field. It has many social and humanistic dimensions and underlying dynamics. Social service providers are dedicated to change the human condition. They assist people in a variety of ways from helping them adjust to high technology of modern times to, as included in one of the articles in this bibliography, raising women's consciousness in the remote rural areas to think for themselves.

Social service delivery in rural communities reflects a renewed interest in the people and the communities by addressing questions and devising methods for studying various issues and concerns. In response to the growing interest, this bibliography, comprised of about 150 articles and titles, is prepared for the use of interested scholars and involved professionals. The intent is to offer readers some exposure concerning social service issues, needs and programs that are available in some rural communities and those that are not. The contents of this bibliography have been selected to give an idea of the immeasurable social and human failures of our times, as well as successes to a lesser degree.

In this annotated bibliography, we have included a large number of topics and issues. A list of these appears in a rank-ordered fashion for the convenience of the readers.

Rural Poverty
Aging Population
Drug Abuse
Homeless
Social Service and Welfare
Social Service Employee
Teenage Pregnancy/Parenthood
Rural Revitalization
Preventive Education for Behavior Change
Perinatal Care
Children
Rural Crime
Mental Health
Developmental Disabilities
Child Abuse

Farm Financial Crisis
Collaboration
Nursing Home Employee
Home Health Care
Disabilities
Social Service in Primary Care
Marital Therapy
Delinquency
Legal Service
Rural Emergency
Rural Health and Social Service
Hospice Care
Community Psychology
Disaster Victims
Premarital Testing
Religion
School Dropouts
Hometown Awards
Advocacy
Migrant Health
Professional Preparation
Rural Development
Environment
Leadership
Future

Although the topics listed above have been rank ordered on the basis of frequency of appearance in the literature, from larger to fewer numbers, we will comment only on some of the topics that appeared and reappeared extensively in this bibliography.

Rural Poverty

The problem of rural poverty has been in existence for some time. What is disturbing is that the problem seems to be getting worse. Rural unemployment rates are higher now than urban rates. Rural areas have recovered more slowly than urban areas. Communities in farm-dependent counties have been affected adversely by the farm financial crisis of the 1980s. Rural poverty is multi-faceted. Rural farm poor do not qualify for welfare programs because they often have properties mostly of very low or negative incomes. They are not eligible for much assistance from commodity price supports and other farm programs because these are designed to benefit larger and more productive farms. Welfare programs apparently are planned with urban poor in mind, while farm assistance is designed with larger and successful farmers in mind. Because of the declining economy and lack of employment opportunities, people leave rural areas in search of better economic prospects. In view of this, government policies need to be realigned to deal with rural farm poverty through job training and financial assistance to existing farmers. Further, government must modify the asset standard for welfare eligibility of low-income farmers.

Some of the authors cited are of the opinion that federal rural economic development policies must be broad-based and flexible to recognize the diversity of rural areas. One of the authors proposes a rural reconstruction plan based on self-reliant Gandhian principles. As a solution, many of the authors suggest an active, well coordinated partnership among the federal, state, and local government. Past programs have tended to place more emphasis on attacking the symptoms of poverty, rather than on the cause of poverty.

Rural poverty is more likely than urban poverty to be caused by insufficient employment compensation, growing unemployment, depressed agriculture, and welfare ineligibility of the deserving poor due to asset limits.

Women without husbands and who head families with minor children are the poorest in the United States although a large proportion of them work. Inner city and small town single mothers are found to have the highest rates of poverty, followed closely by those in rural areas. It is revealed from some of the studies that work is not an absolute guarantee of absence of poverty. Proportionately, there are more full-time working single mothers in small towns and rural areas than in the cities, yet these mothers are more likely to be in poverty than their urban counterparts. The authors of one of the articles suggest that raising the minimum wage would benefit these mothers significantly more than increasing the welfare benefits. In addition, better child care, improved access to education and training programs, enhanced child care awards and liberal pay equity between men and women may minimize the poverty of this group of women.

The farmers are experiencing high levels of stress which is evident in the recent suicide statistics. Suicide rates rose 29 percent during 1983-84 among Kentucky farmers and tripled among Missouri farm families during 1980-83.

The welfare programs seem to have urban bias and are unresponsive to rural poverty. This fact suggests alternative reformatory actions to readdress rural poverty. There are many limitations existing in the current welfare reform policy. The Family Welfare Reform Act, passed by the Congress in 1988, emphasizes remedial training and job placement services which would benefit the urban poor more significantly than rural poor.

Rural Aging Population

The State of Illinois has a population of 1.9 million citizens 60 years of age and older. Although older people of Illinois are, largely, more healthy, independent, and productive than previous generations, this does not necessarily obviate the need for various services to assist those who live longer and therefore face problems of health, income security, housing and loneliness that they cannot cope with alone. A sizable portion of this group reside in rural communities with their diverse health and old-age problems and social service needs. Distance, education and capital are recognized as the major constraints the rural communities face in serving the elderly. Rural communities also have a large number of mentally retarded elderly in the population. Rural areas often find it difficult to provide psychiatric and social support to this population group. The authors of this volume suggest ways and means to maximize support systems for the rural elderly.

Elderly women in Illinois are more likely than elderly men to live longer, live in poverty, and live alone. One task force on older women in Illinois noted a lack of available social services for rural elderly and accessibility problems related to transportation and awareness of services.

The social service network in rural areas must be more responsive to older citizens, both men and women, and expand the network of protective services throughout Illinois.

Rural Youth Problems

Rural youth are disoriented in many respects. Alcohol use and drug abuse of adolescents have burdened the social service system for some time in the rural areas as have teenage pregnancy/parenthood problems. Our observations are that a community development strategy is needed to educate this at-risk population group to regard the problem as its own, i.e. assuming the responsibility for it; promoting effective communication in order to elicit solutions from the group; and finally involving established community institutions, like family, church, school, and local associations in dealing with the problem, rather than totally relying, as the case is now, on social service agencies.

Most youth educational policies, programs and practices are based on negative expectations for youth. Young people are characterized as problems instead of as resources. Rural youth are as addiction prone as their urban counterparts. One of the authors sees youth service as a positive alternative. He offers a rationale for participation in meaningful activities as a means of encouraging young people, individually and collectively, to develop their potential and to discourage their involvement in problem behaviors. The author discusses a prevention approach which is focused on providing opportunities for youth to participate in socially meaningful and valued activities--the youth service movements. The movement has the potential of integrating national, state, and local groups concerned with the welfare of youth.

One of the authors developed a program that makes provision for single-parents in college and universities. This program was designed so that single mothers are educated in a relevant and meaningful way and eventually will be able to transcend themselves from the usual welfare dependent life cycles to join the social workforce in mainstream America.

Despite increasing rates of adolescent pregnancy and sexually transmitted diseases in rural communities, preventive programs have not been funded as those in urban areas. Many rural communities have other pressing needs, and as such, sexual issues of adolescents never received proper attention. There are, however, programs that are designed with the goal of empowering communities through participation and access to resources. One program has been conceived to prevent unplanned teenage pregnancy by involving religious leaders and parents in the sexuality education of teenagers.

Rural Children

Rural children, regardless of their family economic status, are more likely to be born within a framework of limited perinatal care than their urban counterparts. Children of disadvantaged rural families are the most serious victims of perinatal crisis.

Tragedies in the lives of children are often beyond control. They may be the victims of child abuse, neglect and sexual abuse. The numbers of children reported as abused and neglected rose to 91,723 for the FY1987, representing a 30.2 percent increase over the previous year in Illinois.

Children's way of life, especially in Illinois, has been documented and updated in a research-based report. The observations made in this publication confirm that the condition of children in society has deteriorated. A higher proportion of children live in poverty. Children are likely to live in single-parent families with poorer welfare support in insecure situations. Another study presents the fact that due to federal cutbacks during the Reagan era, local and state governments have not been able to maintain the services and income support to children and their families. While during the period of 1960 through 1970s, the federal government consistently expanded services to children with adequate nutrition, housing, and health care as well as protected children against neglect and abuse, federal outlays decreased 11 percent between FY1981 and 1984 affecting 25 programs for the children. Overall, children's services have been curtailed through the unique interplay of decision makers, state and local government agencies, and non-profit agencies. In the process, the agencies that suffered most were the agencies providing social services. One author points out that there must be much greater awareness on the part of not only policy makers but also the general public of the needs of America's children, especially of the more neglected rural communities, and of the existing constraints in fulfilling those needs.

Developmental Disabilities

As a part of the national program, Illinois is determined to provide assistance to states and public and private non-profit agencies and organizations to assure services and opportunities to this disadvantaged group to maximize their potential through increased independence, productivity, and integration into their communities. Currently, persons with all types of developmental disabilities are underserved in Illinois. This group deserves a variety of social services. However, there are many lapses and shortcomings in dealing with developmentally disabled persons, particularly with a too limited fiscal resources.

While preparing this bibliography, time and again it came to our mind that rural communities are no different in any manner than urban communities in having social service needs. It occurred in informal and formal discussions that rural communities never had problems of this magnitude before the farm crisis occurred. Some scholars and professionals are of the opinion that urban problems have trickled down to rural areas. Rural problems are often hidden or in disguise. With inadequate resources, it is difficult to deal with problems of such diverse nature affecting diverse population groups, too. This annotated bibliography will give a broad idea of the nature of the problems and its consequences for society. Unless individual attention is given, the situation will continue to deteriorate.

In order to deal with these varied problems, rural communities need a team of trained social service providers. Rural communities need involvement and services to deal with the elderly population, disadvantaged women, disoriented youth, genetically limited individuals, and groups such as people with emotional and mental problems, the homeless, the delinquent, and with rural crime, stressed nursing home employees, people under marital therapy, legal service, rural emergencies, hospice care, community disasters, migrant health, primary health care hospitals, and advocacy measures to support rural causes.

In order to be able to deal with this variety of social service issues and needs, rural community oriented social service teams have to be organized. The teams may consist of people from various professions, from nursing staff to social workers, and their professional preparation must be relevant and appropriate to deal with rural people in need of social services. The social service training programs have had age-old urban bias.

The time has come when social and human service professionals will have to reconsider the training for social service providers to fit the rural context. Several authors have raised these questions in the articles included in this bibliography. The social workers in rural areas are not, generally, different from their urban associates with regard to their emphasis on various social work roles, specialization, use of informal helping networks, and perceptions of the problems with which they deal. Often, social workers perceive differences between rural and urban communities but are not prepared to practice in ways that encompass these differences. Most social work schools, located in urban areas, focus their training predominantly upon urban practice issues and are not preparing students for appropriate rural practice. Some of the authors suggest appropriate social work programs designed specifically for social workers who expect to practice in rural areas.

Generally, these services are provided by the trained social workers. The roles of social workers in primary health care have now been firmly established. Some of the authors point out that social workers are more appropriately trained to serve in the primary health care field. For instance, some of the problems such as anxiety and depression, or for that matter, Alzheimer's disease and AIDS are likely to be handled more appropriately by social workers, considering their skills and professional preparations. The authors have discussed the contributions of social workers in the field of medical education and interactions of various social service disciplines in primary health care settings.

The social service field is now so diverse and interlinked with so many academic and professional disciplines that the field deserves continuing professional updating and skill development. One of the authors suggest training social workers to enable them to provide consulting services in a variety of settings, such as hospitals, nursing homes, day care centers, home health care and professional social service agencies, business and industry and so on. It also has been observed by an author that there is a scarcity of professionals in the fields of mental health and human services to deal with a variety of rural issues and problems. Professionally trained social workers can work as consultants and can make significant contributions to rural communities. This also may be professionally and personally satisfying and rewarding to them.

In this bibliography, we have included a number of directories, sourcebooks, and informative resources to give the readers an idea that there are such publications which may be useful in their professional and scholarly activities. The information therein may not necessarily be current due to lack of updated versions or unavailability, but they may provide some insights and generate curiosity.

Alexander, Cheryl S., and Ann C. Klassen. "Drug Use and Illnesses Among Eighth Grade Students in Rural Schools." *Public Health Reports* **103, no. 3 (1988): 394-99.** This study examined the relationship between drug use by young adolescents and two indicators of illness, frequency of illness and duration of absence from school. Data were collected from 745 students of two rural Maryland counties in 1984. A self-administrated questionnaire was used to obtain information relating to sociodemographic characteristics, and students' use of tobacco, alcohol, and marijuana. The researchers found substantial covariation among the use of cigarettes, alcohol, and marijuana. There was a positive correlation between the use of cigarettes and absenteeism. Other drug behaviors were not found associated significantly with the increased risk of missing school.

American Association of Retired Persons. *A Profile of Older Americans: 1989.* **Researched and compiled by Donald G. Fowles, Administration on Aging, U.S. Department of Health and Human Services. Washington, DC: AARP and AOA, 1989.** This pamphlet is an annual compilation of facts and figures on the older population, in the age-group of 65 and over. The information included is as recent as 1988. It highlights the significant features such as growth in older population, sex ratio, living arrangements, racial and ethnic composition, income distribution, poverty, housing, employment, education, health and health care. It also includes maps, indicating geographic distribution and figures showing projected future growth.

Ayres, Janet. *"Rural Development Policy in the North Central Region."* **Paper presented at the Rural Development Policy Options Workshops, Minneapolis, September 19-21, 1988.** There are many critical issues confronting rural Midwest communities in their adjustment to the changing environment. The author discusses mainly three general issues such as creating growth in rural jobs and incomes; financing rural community services; and developing human resources. Like rural areas throughout the nation, rural areas of the North Central Region face numerous social and economic challenges brought about by the major structural changes in agriculture and manufacturing combined with demographic changes. The result is an overall stagnant economy. Inadequate financing and weakened rural infrastructure make federal concern more crucial. The author sees that the ultimate actions to revamp the rural Midwest economy lie with the rural residents themselves. In order to turn the stagnant economy around, rural communities must possess knowledge, skills and access to critical resources. The federal government must also recognize the fact that rural areas are not disadvantaged due to their policies and programs. Finally, the author suggests that individuals and families in these areas which are underserved are not capable of dealing with this transition on their own, and their needs must be addressed.

Bacchi, Donna., Dawn Phillips, Woodie Kessel, and David Smith. "Federal Programs Affecting Rural Perinatal Health Care." *The Journal of Rural Health* **5, no. 4 (1989): 413-24.** This article describes the federal programs that are directed to rural perinatal care. Since 1912, with the establishment of the United States Children's Bureau, the federal government has initiated various programs for the welfare of child and mother. The primary areas of federal concerns now are: assuring access to perinatal health services, financing of care, and improving the distribution of manpower and facilities. These activities are administered by the Health Resources and Services Administration, the Indian Health Service, the National Institute of Health, and the Health Care and Financing Administration. Many of the direct services are supported by the Maternal and Child Health Block Grant program through the funding of state and local health departments, and the Community and Migrant Health Center Program which supported clinics in health manpower shortage areas. The authors touch on current major federal programs related to perinatal care. Despite various programs instituted by the federal government, there are still significant geographical and financial barriers to access quality perinatal health care in the rural areas. In view of this, the authors recommend a critical assessment of the programs that exist now.

Belcher, John R., and Glenn McCleese. "The Process of Homelessness Among the Mentally Ill: Rural and Urban Perspectives." *Human Services in the Rural Environment* **12, no. 2 (1988): 20-25.** Since the time of the application of civil commitment statutes of 1970, a majority of states have undertaken reformatory actions to curb abuses to people's rights to liberty and to prevent the unwarranted commitment of persons to mental hospitals. Homeless mentally ill persons have become victims of these narrowly interpreted commitment laws due to limited access to needed hospitalization. As a consequence, commitment laws have contributed to homelessness among mentally ill persons. The effect of commitment laws on homelessness among the mentally ill in rural areas has not been explored adequately. The authors of this paper examine this issue by comparing the application of commitment laws in urban and non-urban counties. Two research projects were undertaken to explore this legislation which contributed to homelessness among mentally ill persons. One project dealt with a metropolitan area and the other a non-metropolitan area. The results suggest that obstacles to service for mentally ill homeless persons are not the same in two areas. While a narrow interpretation of commitment laws in the metropolitan area contributed to homelessness, there was an over-reaction in the non-metropolitan community toward people who did not fit into the existing system of care and who were in some way deviant. The authors suggest that a continuum of care may be established to respond appropriately to the needs of mentally ill individuals in both communities.

Benard, Bonnie. "Youth Service: From Youth As Problems to Youth As Resources." *Prevention Forum* **10, no. 2 (1990): 6-14.** Most educational policies and practices are based on negative expectations for youth. Youths are characterized as problems instead of resources. Similarly, many prevention policies and practices reflect the negative underlying paradigm. The author in this article sees youth service as a positive alternative. She offers a rationale for participation in meaningful activities to encourage young people to develop their potential,thus discouraging them from involvement in problem behaviors. The author discusses a prevention approach which is focused on providing opportunities for youth to participate in socially meaningful and valued activities: the youth service movement. This movement has the potential of integrating national, state, and local groups concerned with the welfare of youths. The author examines issues related to youth service and presents a rationale for youth service, with guidelines recommended by several researchers and policy planners on youth service, and their implications.

Benard, Bonnie. "Working Together: Principles of Effective Collaboration. *Prevention Forum* **10, no. 1 (1989): 2-9.** Based on the conclusions of previous researchers in creating positive, supportive, nurturing environments, the author of this paper proposes community-wide collaborative efforts to deal with, for instance, alcohol and drug abuse, and other personal and social problems. There is a growing interest among the prevention planners and the public in a community movement that recognizes the fact that many of the social problems like teen pregnancy, child abuse, delinquency, and school failure and dropping out, are not only interrelated and share the common roots, but that the roots lie in the community. As such, the responsibility in addressing these problems falls on the community as a whole and not only on a few institutions like family and schools. The author of this article explores the idea of collaboration, provides a rationale, and the scopes and benefits of collaborative efforts, and discusses a model for facilitating the collaborative process. The author concludes that the successful prevention programs are based on effective collaboration and an effective collaboration is most desirable when it mutually empowers each other while working together with a community problem.

Bergh, Nan Van Den. "A Consortium Approach to a Provocative Dilemma: Responding to Farm Families in Crisis." *Human Services in the Rural Environment* **13, no. 2 (1989): 8-15.** The author of this article describes a multi-organization consortium-based approach used to develop a program created to provide human services to farm families of agricultural Fresno county of California, in financial crisis. Rural social service practitioners should be aware of service delivery approaches which can provide assistance to this population in jeopardy, since a substantial number of family farms will go out of business by the end of this decade. The author presents a conceptual framework based on prevention principles suggesting the types of services which could be offered to these farm families on primary, secondary, and tertiary levels. The developmental stages of the consortium are illustrated including the methodology and findings from a needs assessment survey conducted as the group's first task. The author

BEST COPY AVAILABLE

discusses program components in the areas of legal, financial, mental health, social, and job services, together with the "gains and glitches" which are inevitable to arise out of a consortium.

Besharov, Douglas J. "Gaining Control Over Child Abuse Reports: Public Agencies Must Address Both Under-reporting and Over-reporting." *Public Welfare* **48, no. 2 (Spring 1990): 34-40.** The author of this article deals with the critical twin problems: Under-reporting and over-reporting of child abuse and neglect. Under-reporting often puts children through serious injury and even death. Over-reporting, on the other hand, puts the members of the family through traumatic experiences. The consequences of inappropriate reporting place the child in protective agencies in serious jeopardy. The author argues in order to lessen both problems, that public child protective agencies should take parallel steps: they should improve the public and professional education they provide; and they should enhance their ability to screen inappropriate reports. He discusses all the relevant aspects of child abuse, such as unreported cases, unfounded reports, enhanced public and professional education, reporting based on suspicions and upgrading screening capacity. The author concludes that child protective agencies have to enhance resources to investigate an unlimited number of reports. Although politically controversial and technically difficult, improvements have to be made for better functioning of these agencies to save the children.

Besharov, Douglas J. "The Children of Crack: Will We Protect Them?" *Public Welfare* **47, no. 4 (1989): 6-11.** Parental addiction to crack, a derivative of cocaine, appears to be one of the major issues facing the child welfare agencies. Children of addicts are "the worst casualties" of the nations' drug problem. Since the 1960s, crack poses a serious threat to many more young children because mothers use it. Crack often causes miscarriages, stillbirths, and premature, low birthweight births, to pregnant women. Many more women are now on crack. Some cocaine-exposed babies suffer various physical and neurological malformation, such as deformed hearts, lungs, digestive systems, and stroke while in the womb. These crack addict mothers abuse and neglect their infants, causing a severe physical and mental jeopardy and often death. Drug abuse has become the "dominant characteristic" in the child abuse caseloads of 22 states and the District of Columbia. In view of this situation, the author suggests that children should not be left with drug-addicted parents who are not capable of caring for their children. Other options have to be explored to provide these children with permanent and nurturing homes. Adoption could be an option for children whose parents show little prospect for improvement. The author also proposes that the termination of parental rights should be made easier from the legal point of view.

Bittle, Ronald G. "Notes from the Field: Mental Health Services in a Rural Area: The Integrated Relationship Between State Hospital and Community Mental Health Centers." *Human Services in the Rural Environment* **12, no. 1 (1988): 29-30.** The agencies that provide mental health services in rural areas often confront many adversities including dispersely populated service areas, low personal income, lack of transportation and shortages of mental health care professionals. The community mental health centers vary in size, employing between 7 and 50 staff members, and operate in between 1 and 8 counties each. This author describes establishment of a linkage agreement which took place in 1982 in order to resolve some of the stagnant rural mental health service issues. Anna Mental Health and Developmental Center, a state hospital which serves 28 predominantly rural southeastern counties of Illinois, and the community mental health agencies work together in an integrated service delivery system. The main components of the system include linkage agreements between the hospital and the community agencies, a feedback system regarding community agencies' functions and the use of conference calling in treatment planning to enable the staff to have the opportunity for input into the treatment plan and to ensure that recipients receive high quality care. These combined and coordinated efforts enhanced the resources of the state hospital and the community agencies. The integrated service system helped overcome many of the barriers in instituting efficient delivery of psychiatric care in rural southern Illinois.

Borden, Frank W. "Earthquake Planning and Preparedness. *Emergency Medical Services* **14, no. 3 (1985): 12-15.** According to predictions made by scientists, there is more than a 50 percent chance of a major earthquake along the South San Andreas Fault within the next 30 years. A catastrophic earthquake in southern California will result in thousands of casualties and million of dollars in property loss. The author of this article presents an earthquake planning scenario developed by the State of California. The predicted consequences of this event are likely to provide the insight needed for an effective emergency response and its planned management.

Bram, Douglas R., Steven Pruett, Susan Van Cleve, and Donald Didier. *The Homeless Mentally Ill in Madison and St. Clair Counties.* **Belleville/East St. Louis, IL: Madison and St. Clair Counties 708 Board, 1985.** The authors of this report focus on the problem of homelessness among mental health patients in St. Clair and Madison counties. The report is based on surveys and interviews conducted with persons serving the mentally ill in the two counties. A large majority of those interviewed identified homelessness as a problem for the mentally ill. The report estimates that 20% to 25% of the mentally ill clients in the two counties are homeless. The report also disclosed that the homeless persons in this area are not the chronic homeless, or "street people," but rather are homeless for some definite reason such as family conflict, unemployment, eviction, and the like. In addition, to identify the problems of the homeless mentally ill, the authors also examine the programs designed to aid this group. The researchers asked informants to rate the services provided in their areas and to offer suggestions for new services to aid the homeless. They rated food services to be very good. However, it was found that there is a need for better medical care. They recommend the development of out-patient health services for indigents since many of the homeless had been refused service at hospitals. The authors also recommend more comprehensive follow-up for patients discharged from mental hospitals, and suggest more shelters for the homeless, especially in Madison County and a closer link between the shelters and mental health agencies. The survey of service workers reflected serious inadequacies in housing and realistic job training programs.

Brown, David L., and Kenneth L. Deavers. *"Economic Dimensions of Rural America."* **Paper presented at the Rural Development Policy Options Workshops, Minneapolis, September 19-21, 1988.** The authors of this paper identify what is different in rural America in the 1980s compared with the 1970s and suggest implications of these new trends for the development of rural economic policies. In examining the current status, the authors observe that rural economic conditions have worsened significantly in the 1980s. Rural unemployment rates are higher now than urban rates. Rural areas have recovered from the recession more slowly than the urban areas. Rural specialization in manufacturing and production have limited employment growth. Communities in farm-dependent counties have been adversely affected by farm financial issues. A disproportionate share of the poor are rural. Rural growth has become significantly slower than urban growth. Rural areas have a larger proportion of young and old. A gap exists in educational attainment both at the high school and college levels. New federalism reversed the increasing influence and funding of federal programs. Rural problems are not uniform. The authors raise critical issues, recommending actions and initiatives to resolve problems concerning economic stress of non-metro areas: adjusting to a service economy; reversing higher levels of unemployment; coping with a larger share of young and old requiring increased emphasis on both education and health care; eliminating the rural-urban gap in education; and designing programs to deal with diverse conditions and provision for job training.

Bubin, Elliott., and J. Norman Reid. "Do Federal Funds Help Spur Rural Development?" *Rural Development Perspectives* **5, no. 1 (1988): 2-7.** Nonmetro counties contained 24% of the U.S. population, but their 1985 share of federal funding was about 20% of the total. Federal spending per resident, excluding loans, was 22% lower in nonmetro than metro counties. Federal money supports different programs in metro areas than in nonmetro areas. Spending in nonmetro areas focuses on income redistribution (welfare and retirement), not programs that promote development. The authors of this article discuss various aspects of federal funding. There is no specific standard of measuring equity funding. There are programs that benefit broad geographic areas, even the entire nation, not just the community in which the funds are spent. Nonmetro counties participate far more in federal loan than metro counties. The economic benefit of loans is much less than their face value and it can hardly be compared with the dollar value of grants and other forms of direct spending. As regards program objectives, rural areas tend to be favored by income transfers such as medical benefits, public assistance and unemployment compensation, and retirement and survivors' benefits and other programs with relatively low development impact. Whereas, metro counties received about 86% of 1985 federal spending for programs that promote development. The article provides several tables and figures indicating federal expenditures and tax burdens with classification of rural-urban status of the states.

Bureau of Social Science Research. *Directory of Rural Health Care Programs 1979.* **Washington, DC: U.S. Department of Health, Education, and Welfare, 1980.** This directory is based on a survey to identify and describe innovative organizations providing primary health care services in rural America. It includes organizations located in rural areas or servicing rural populations, and offering some primary care services, such as internal medicine, family and general practice, pediatrics, or obstetrics/gynecology. Programs offering only mental health, dental or other specialized medical services are not included. The directory is further limited to organizations—hospitals, clinics, corporations, projects, programs, centers and the like. It is organized alphabetically by state and, within state, by city or place. Information for each listing was supplied by the program staff responding to a mail questionnaire, and by phone. Respondents include DHEW grantees completing the Bureau of Community Health Services Reporting Requirements (BCRR). The following information is included for each listing: Program name, address, and phone; county in which the program is located; program contact person; year of service first offered; type of program ownership (public, private, not-for-profit, or private nonprofit); presence or absence of community board; total number of full-time equivalent staff; total number of full-time physicians on staff; service area population, estimated unduplicated count of the number of persons using the program's services at least once during the reporting year; type of fee structure; sources of current or past financial or personnel support; and total number of program delivery sites, and name, address, and phone for principal and up to three additional sites.

Bureau of Social Science Research. *Directory of Rural Health Care Programs 1979.* **Washington, DC: U.S. Department of Health, Education, and Welfare, 1980.** This directory is based on a survey to identify and describe innovative organizations providing primary health care services in rural America. It includes organizations located in rural areas or servicing rural populations, and offering some primary care services, such as internal medicine, family and general practice, pediatrics, or obstetrics/gynecology. Programs offering only mental health, dental or other specialized medical services are not included. The directory is further limited to organizations—hospitals, clinics, corporations, projects, programs, centers and the like. It is organized alphabetically by state and, within state, by city or place. Information for each listing was supplied by the program staff responding to a mail questionnaire, and by phone. Respondents include DHEW grantees completing the Bureau of Community Health Services Reporting Requirements (BCRR). The following information is included for each listing: Program name, address, and phone; county in which the program is located; program contact person; year of service first offered; type of program ownership (public, private, not-for-profit, or private nonprofit); presence or absence of community board; total number of full-time equivalent staff; total number of full-time physicians on staff; service area population, estimated unduplicated count of the number of persons using the program's services at least once during the reporting year; type of fee structure; sources of current or past financial or personnel support; and total number of program delivery sites, and name, address, and phone for principal and up to three additional sites.

Cautley, Elenor., and Doris P. Slesinger. "Labor Force Participation and Poverty Status Among Rural and Urban Women Who Head Families." In *Rural Poverty,* **edited by Harrell R. Rodgers, Jr., and Gregory Weiher, 41-65. New York: Greenwood Press, 1989.** The authors examine the poverty among women without husbands who head families with minor children. This group of women is the poorest in the United States although a large proportion of them work. The authors want to look at the association between work and poverty in relation to other conditions. They suggest that depending on the individual characteristics of the women and the economic characteristics of their residential areas, the relationship between work and poverty differs among women between rural and urban areas. Four groups of mothers have been examined: residents of central cities, suburbs, small towns, and rural areas. After controlling for the effects of the mother's race, marital status, education, work status, and ages of her children, single mothers in central cities and small towns are found to have the highest rates of poverty (48% and 45%, respectively) followed closely by those in rural areas (41%). Suburban single mothers are least likely to be in poverty (33%). Data analysis reveals that work is not an absolute guarantee of absence of poverty. Proportionately, there are more full-time working single mothers in small towns and rural areas than in the cities, yet these mothers are more likely to live in poverty than their counterparts in the suburbs and cities. The authors suspect that the motivations and access to work differ across the four residential areas. It is also likely that all single mothers cannot attain an above-poverty wage, even when working full time. Findings further reveal that employment status is the strongest predictor of poverty, together with education and marital status. The authors conclude that raising the minimum wage would benefit these mothers significantly more than increasing the welfare benefits. They also recommend better child care, improved access to education and training programs, enhanced child care awards and liberal pay equity between men and women.

Cecil, Harry., and Roger Hannan. "Notes From The Field: Stress: Country Style - A Program to Serve Farmers and Their Families." *Human Services in the Rural Environment* **11, no. 2 (1987): 36-37.** That farmers are experiencing high levels of stress because of the recent farm crisis is evident in suicide statistics. Suicide rates rose 29 percent during 1983-84 among Kentucky farmers and tripled among Missouri farm families during 1980-83. The authors, who are directors of community mental health centers in southern Illinois counties, recognized that traditional outpatient treatment services were not adequate in terms of meeting the needs of the farmers. The authors, early in 1985, planned a program to assist farmers and their families to cope with the stress generated by the serious farm crisis. The essential components of this program were: 1) a 24-hour statewide toll-free crisis line to be staffed by professionals; 2) two professional outreach counselors in each of the nine Illinois Cooperative Extension Service regions for face-to-face intervention, crisis stabilization, and referral; and 3) educational brochures for at-risk farming families. The program began as a three year pilot project and has been well received by the farm communities and agribusiness leaders.

Chezem, Joanne. *"Certified Nurse-Midwifery Profession: An Alternative Delivery System."* **Master's thesis, Southern Illinois University at Carbondale, 1990.** Due to a shortage of physicians, hospital closures, insurance liability, and changed consumer preferences, social service professionals are now thinking of alternative delivery systems for the birthing process. The author devotes the paper entirely to a review of the literature from social and health journals on the certified nurse-midwifery profession as an alternative delivery system. Initially, she reviews the differences between the medical model and the midwifery model. The author looks at the perceptions of the certified nurse-midwifery profession by the certified nurse-midwife and by the physician, and the effects of those perceptions. The midwifery model provides an alternative delivery system for those populations who do not have access to the usual birthing system such as access to a physician to obtain treatment. It is not, however, an alternative to the medical model for those consumers who want less medical intervention. Finally, the author discusses the implications for social workers in relation to the certified nurse-midwifery profession as an alternative birthing system.

Chicoine, David L., Thomas F. Stinson, Paul R. Eberts, George Goldman, and Rod Clouser. *"Financing and Providing Rural Public Services."* **Paper presented at the Rural Development Policy Options Workshops, Minneapolis, September 19-21, 1988.** The purposes of this paper are to examine the basic principles for federal involvement and alternative federal policies to assist states and rural local governments in their public service needs. After discussing the complexity of demands for local public services, the authors provide a brief history of the policy and principles of federal financial aid to state and local governments as well as the current situation. The critical issues that this study raises concern the quality and quantity of available local rural public services; allocation of taxes consistent with those who enjoy the benefits; tailoring programs to diversity; financing services with low population; spending shortfalls without equitable revenue sources; and long-term federal interventions. The authors justify the federal role in making minimum levels of public service with comparable tax burdens available to rural residents. They also present policy options for providing and financing rural public services by strengthening the local government sector of rural America.

Commission to Revise the Mental Health Code of Illinois. *Report of the Governor's Commission to Revise the Mental Health Code of Illinois.* **Chicago, IL: Commission to Revise the Mental Health Code of Illiois, 1989.** Illinois, for years, has had inadequate programming and funding for the mentally ill and developmentally disabled. According to several studies, Illinois ranked very low in per capita spending for services to this disadvantaged group. State operated facilities have deteriorated because of inadequate staffing and funding. In view of these circumstances, and upon recommendation of the Task Force on the Future of Mental Health in Illinois, the Governor of Illinois created the Commission to Revise the Mental Health Code for changing the Mental Health and Developmental Disabilities Code and laws as an attempt to resolve some of the difficult problem areas. In a major way, the Commission recommends additional state funding for mentally ill and developmentally disabled persons. Other recommendations include change of laws in the areas of: informed consent and the right to refuse treatment, outpatient commitment, seclusion and restraint, treatment of mentally ill persons involved in the criminal justice system, confidentiality, commitment and admission to mental health and developmental disabilities facilities and monitoring and reporting of abuse and neglect in residential facilities. According to the Commission, most of these recommendations can be implemented without involving additional state expenditures. As noted by an earlier Commission, this Governor's Commission also maintains the view that the state should institute a comprehensive unified system for providing care for this population, and making adequate provision for community care.

Council of State Governments. *Health and Social Welfare.* **Lexington, KY: Council of State Governments, 1987.** This document, published presumably around 1987, contains four articles: "Mending the Social Safety Net: A Responsible Agenda for the 100th Congress" representing the State of Minnesota by David Durenburger, Senator; "Sheltering the Homeless: An American Imperative" by Mitch Snyder and Mary Ellen Hombs, members of the Community for Creative Non-Violence in Washington; "Adolescent Pregnancy: Everybody's Problem" by Marion Wright Edelman, president of the Children's Defense Fund; and "States Look to the Future: Health Care" by David A. Jones, Chairman and Chief Executive Officer of Humana, Inc. The first article raises a question relating to the responsibility of government and of society as a whole to assist individuals who have difficulty caring for themselves. According to Senator Durenburger, the first priority of the Congress in the year 1987 is welfare reform. He emphasizes the redefinition of society's obligation to the poor. The concern of the second article is the homeless - who are everywhere - in suburbs, cities, and in rural America. More than 2 to 3 million men, women and children competing for fewer than 100,000 shelter beds available to them. He notes that no one is doing enough for the homeless, and federal government has done the least. In Reagan's administration, homelessness was strictly a state and local problem. The author of this article emphasizes that despite diminishing resources at the government levels, the elimination of homelessness in America must become a national priority. The author of the third article presents the impact of teen pregnancy and its public, personal and social costs. He comments that preventing teen pregnancy will take time but to avoid this issue will make the policy makers accomplices to family disintegration, hardship and poverty. The author of the fourth article on health care makes an attempt to convince the public that rather than creating barriers to the private sector initiatives in health care, government should seek to cooperate with providers who are anxious to find solutions.

Coward, Raymond T., and Gary R. Lee (Eds.). *The Elderly in Rural Society.* **New York: Springer Publishing Co., 1985.** The editors of this book express two major concerns: 1) how an aging population affects rural residents; and 2) how rural residence affects the aged. The editors include a wide variety of topics on the rural elderly population's demographic characteristics, such as work, retirement, and income; general health, mental health and housing; kinship, community relations and participation; and service delivery and policies that affect them on a day to day basis. All these characteristics have been presented in contrast to urban conditions and characteristics. The chapters on rural health and human service delivery systems and alternative strategies for policy development for the aged provide insights to the rural social service field.

Davidson, Mary E., M. Mizanur Rahman Miah, and Foster Brown. *"Survey of Field Resources: Social Work Instruction Resources in Southern Illinois."* **Carbondale, IL: School of Social Work, Southern Illinois University, 1987.** The purpose of this study was primarily to explore and identify potential Field Learning Centers (FLSC) in Southern Illinois for the placement of Master of Social Work students of Southern Illinois University at Carbondale. The researchers also wanted to know the numbers and types of social service agencies available in the area with necessary facilities. A postcard survey was conducted among 215 agencies in southern Illinois during November and December 1985, followed by a more extensive survey in February-March 1986. Finally, they covered 123 agencies in 35 counties of southern Illinois. Of the responding agencies, 62 were private not-for-profit organizations; 21 classified themselves as county agencies; 19 were state agencies, 4 agencies were run by the cities; and the remaining 3 were private for-profit organizations. The majority of agencies offered services to adults (79%), adolescents (68%), children (66%), families (67%), and senior citizens (63%). Services to neighborhoods appeared to be of lowest priority (11%). About four-fifths (n = 98) of the agencies are involved in information and referrals. Individual counseling and adjustment appeared to be the second major type of service offered by about three-fifths (n = 72) of the agencies. Very few agencies (n = 6) were involved in rape prevention, legal service (n = 11), delinquency prevention and treatment (n = 8), adoption services (n = 9), occupational social work and school social work services were offered by less than 10% of the agencies. The survey also reflected a strong sense of cooperation by the agencies to support the social work students for field work experiences.

Davis, Laura F. "Rural Attitudes Toward Public Welfare Allocation." *Human Services in the Rural Environment* **12, no. 2 (1988): 11-I9.** Rural attitudes toward public welfare assistance are often ambivalent. People in the rural areas generally demonstrate both favorable attitudes toward helping the poor and unfavorable attitudes toward program specifics. The author examines the extent to which these attitudes are unique to the rural communities and determined the patterns of favorable and unfavorable attitudes concerning public welfare among rural Wyoming residents. National attitudes toward welfare since the introduction of the Social Security Act in 1935 show that about 70 percent of Americans support the idea of federal help for the poor. The author compared original data from a 1984 poll of Wyoming voters with findings of previous research using national samples. Ninety percent of the Wyoming respondents agreed that welfare allocation should be based on needs but 50 percent believe that welfare recipients should not receive more than those earning a minimum wage. While compared with the nation as a whole, support for public welfare was lower in Wyoming. However, Wyoming attitudes were found to be similar to national attitudes when analyzed along political lines. The author argues that rurality may have contributed to the results because of increasing membership in rural states. The author recommends that welfare professionals must undertake public education campaigns explaining welfare programs and their funding methods.

Davis, Ruth, Ray Carmody, and Kathy Uetz. *An Assessment of the Effectiveness of Developmental Training Programs in Illinois: A Report Prepared for the Governor's Planning Council on Developmental Disabilities.* **Chicago: Taylor Institute, 1988.** The Developmental Training (DT) Initiative was established in 1985 with two levels of DT programs to enable access to and the availability of appropriate programs for Medicaid-eligible recipients. From the very beginning, for adults with developmental disabilities, DT programs have become the major day-service programs in Illinois. About 13,000 clients are currently enrolled in these programs, of which half are funded by Medicaid. This report has been prepared, upon request of the Governor's Planning Council on Developmental Disabilities, to conduct an evaluation of client eligibility and appropriateness of DT programs. It provides baseline data of the program's administrative, programmatic, and fiscal policies, procedures, and practices. It identifies and assesses the essential components of DT program's service planning and delivery processes relevant to the training and treatment. It also examines organizational and other resource barriers. The evaluators found that a substantial proportion of clients were placed inappropriately many of whom could be provided with a higher level service options. Many DT program's service planning and delivery processes were not in compliance with the state and federal regulations and did not address the treatment needs of the clients. DT program staff and fiscal resources appeared to be inadequate to meet the needs of the clients.

Debertin, David L., and Craig L. Infanger. "Rural Poverty, Welfare Eligibility, Farm Programs, and the Negative Income Tax." In ***Rural Poverty,*** **edited by Harrell R. Rodgers, Jr., and Gregory Weiher, 93-117. New York: Greenwood Press, 1989.** The authors of this study analyze multifaceted rural poverty and point out the multifaceted strategies to deal with this poverty as well. The authors develop four paradigms demonstrating the causes of poverty in low-income regions dominated by a subsistence agriculture caused largely by human deficiencies and human resources. One reason for aggravated rural poverty is that the rural farm poor do not qualify for welfare programs because they often have a positive net worth, even when they have very low or negative incomes. They are neither eligible for much assistance from commodity price supports and other farm programs because these are meant for larger and more productive farms. The authors suggest that welfare programs are designed with urban poor in mind, while farm assistance is designed with larger and successful farmers in mind. The authors argue that government's policy approach to rural poverty needs are to be redesigned. Their recommendations for the government policy options to deal with rural farm poverty are job training and financial assistance to the existing farmers; and to change the asset standard for welfare eligibility for low-income farmers. But a more comprehensive and appropriate welfare approach would be the introduction of negative income tax to help create an economic base for the rural poor.

Decker, Larry E. "The Principles of Community Education." *Community Education Journal* **17, no. 1 (Fall 1989):7.** In this brief article the author presents an overview of community educators' roles and responsibilities as well as an awareness of education's connection to other human needs and conditions. In response to the challenge of these broader views of community education, community educators, operating as a subcommittee of the National Coalition of Community Education Leaders, agreed on a set of principles outlining their scopes and characters of community education. As agreed upon, the community education is based on the following principles: Self-determination of community needs and wants; self-help by building local leadership and independence; leadership development to ongoing community improvement efforts; localization of programs where people live; integrated delivery of services; maximum use of resources; inclusiveness by way of involving a broad cross-section of community residents; responsiveness to the changing needs and interests of the communities; and life-long learning in a wide variety of community settings. These principles are reflected in the model of schools as support centers for a network of community agencies and institutions.

Decker, Larry, and Kim Biocchi. "The National Project for State Community Education Planning and Development." *Community Education Journal* **17, no. 1 (Fall 1989): 8-11.** This article describes the processes, findings, and recommendations of a Mott Foundation appointed Community Education Endowment Planning Task Force. The purpose of the Task Force was to identify the functions critical for sustaining the field of community education into the future. After two years of study, the Task Force members recommended that community education should be maintained and promoted; Mott Foundation support should be aimed primarily at the state and national levels; and community education must be responsive to public educational delivery systems. The Task Force members also identified 10 strategies as critical to community education development. The major one was the presence of a state-level community education component in every state based on available resources. This resource system would include: leadership; training and technical assistance; and identity and public support. The Task Force also recognized the fact that each state has different needs and resources. The Task Force members also emphasize an effective collaborative network to help local communities to introduce or maintain community education programs. After expanding all the major components, they conclude that increased collaboration and identity would enhance prospects for state funding and legislation.

Dwyer, Jeffrey W., and Michael K. Miller. "Determination of Primary Caregiver Stress and Burden: Area of Residence and the Caregiving Networks of Frail Elders." *Journal of Rural Health* **6, no. 2 (1990): 161-84.** The authors of this paper examine the association among characteristics of the caregiving network, primary caregiver stress and burden, and area of residence. The main purpose of this study is to determine whether the structure of the relationship between the caregiving network, and stress and burden of the caregiver is similar across rural, small city and urban areas; and to verify whether stress and burden are explained by a similar set of variables within the categories of the area of residence. The data are collected from a matched sample of 1,388 impaired elders and their primary caregivers from the 1982 National Long-term Care Survey and the National Survey of Informal Caregivers. The data analysis indicates that many characteristics of the primary caregivers and care receivers have a differential effect on stress and burden across residential categories. The determinants of stress and burden are not homogeneous within rural, small city and urban samples. It has been observed that when the frail elder is able to reciprocate by performing chores, baby- sitting or some other assistance for the primary caregiver, both stress and burden are considerably reduced in all three residential categories. Similarly, the increased provision of assistance with the activities of daily living by the primary caregiver uniformly increases the stress and burden. The authors conclude that the caregiving network characteristics which influence the type, quantity, and quality of care to frail elders vary by place of residence. There are, however, similarities and differences in those variables predicting stress and burden within areas of residence categories.

Eldridge, Frances. "Fundraising: A "Catch 22" Dilemma...Establishing and Funding Small Rural Hospices." *The American Journal of Hospice Care* **5, no. 6 (1988): 19-21.** The author of this article presents different aspects of fundraising in the rural areas for hospice care. The two common concerns of the Midwest hospice care administrators are: (1) hospice care is not entitled to the Medicare benefit until it meets HCFA (Health Care Financing Administration) requirements and criteria; and (2) hospice care programs face capital investment difficulties due to lack of recognition by local business communities, absence of efforts to educate the community in "quality death" concepts and apathetic attitudes of doctors to support hospice. The article suggests numerous opportunities for funding rural hospice care programs which include marketing efforts with third party carriers, public funds, United Way funding and most of all funding supports by community-based groups.

Gavin, Kathleen, and Darryl Leong. "Maternity Care as an Essential Public Service: A Proposed Role for State Government." *The Journal of Rural Health* **5, no. 4 (1989): 404-11.** The authors provide insights to the current problems of maternity care in the rural areas in the state of Vermont. Current maternity care systems in rural Vermont have been characterized as a loose network of providers and is dependent, in a major way, on obstetric providers and hospital services. As a result, fluctuation in physician numbers due to income, cost of malpractice and personal considerations, creates a service gap, placing the rural maternity care in jeopardy. Rural areas are especially vulnerable because they lack alternatives that are available in urban areas. The authors consider that maternity care should be provided consistently and in a reliable manner to enable the pregnant women to take advantage of these services. This situation reestablishes the argument that maternity care is fundamentally essential to the public health of any community. The authors propose that the services of certified nurse midwives may be used in providing routine maternity care and services of the specialists may be used in high-risk cases only. This proposed arrangement is expected to provide reliable and consistent maternity care services. The study concludes with a suggestion to develop a model based on this proposed maternity care namely "System of Assured Access" which may be tested and evaluated in response to national goals to ensure locally-based comprehensive maternity care services in all communities.

Gillis, William, Dennis Fisher, and Steve Smith. *"Income and Employment Policy."* **Paper presented at the Rural Development Policy Options Workshops, Minneapolis September 19-21, 1988.** Because of the declining economy and lack of employment opportunities, people leave rural areas in search of better economic prospects. The authors of this paper isolate the rural economic development issues and identify the most needed federal interventions. Currently, there is a widening gap between rural and urban economic opportunities. Rural economic development programs suffer from lack of funding and programs are hardly designed to fit the rural areas. The authors are of the opinion that federal rural economic development policies must be broad-based and flexible to recognize the diversity of the rural areas. An active and well-coordinated partnership among the federal, state, and local governments is required. Although state and local governments are better able than the federal government to identify specific needs and resources for their rural communities, they lack necessary resources and incentives to finance critical rural programs. As a result, the most important role federal government plays is by providing financial support for key business infrastructure, and by strengthening the capacity of rural human resources. The authors finally suggest that improving economic situations in rural areas is not viable without an effective partnership between federal, state and local governments.

Governor's Planning Council on Developmental Disabilities. *Data and Information Report on Service Needs and Issues Affecting Persons who are Developmentally Disabled.* **1 Springfield and Chicago, IL: Governor's Planning Council on Developmental Disabilities, April 1987.** This report examines the services available to persons with developmental disabilities. It categorizes the essential life services into nine standard community services such as housing, employment, health, mental health, transportation, leisure and recreation, education, social services and legal services. The report builds on findings from the 1986 report and updates the earlier data and information. It presents an overview of the roles and functions of the state agencies in context of the service system for people with developmental disabilities. Primary data have been obtained using four methodologies; (1) statewide needs assessment of consumers and providers; (2) analysis of council grant projects; (3) analysis of state developmentally disabled plan objectives from 43 states; and (4) review of the future events/activities which are needed to sustain existing council projects. Two separate analyses also were conducted which examined macro-level service priorities and the potential impact of council-funded projects. Through analysis, it was found that priority services for both the nation and for Illinois are employment and housing. An analysis of 32 council-funded projects, using ten variables, found that those projects which have the greatest positive impact on the service system are: transition from school to work, case coordination, supported employment, family support, and strategic planning model.

Governor's Rural Affairs Council. *Rural Revitalization: The Comprehensive State Policy for the Future.* **(Draft) Springfield, IL: Governor's Rural Affairs Council, April 5, 1990.** Rural areas of Illinois have been severely affected by a downward economy primarily due to population decline, loss of businesses, and erosion of taxes for public services. This document presents a comprehensive approach to management of change in rural areas to resolve some of the urgent issues. The report provides broad objectives, goals, and strategies for rural Illinois pertaining to economic development of agriculture, local public finance, education, health care, transportation, quality of life, housing and public safety. It defines the word "rural" and contrasts it with the U.S. Census definition with the one used generally by Illinois. In addition, the document presents a map of Illinois showing Illinois' rural counties, characteristics of metro and nonmetro counties in Illinois; state decision-making framework and various implementation strategies for solutions. The report's conclusion emphasizes the need for partnership between urban and rural Illinois to achieve the desired economic and social development to upgrade the quality of rural life.

Governor's Task Force on the Future of Rural Illinois. *Summary Report to the Governor and 85th Illinois General Assembly.* **Springfield, IL: Governor's Task Force on the Future of Rural Illinois, March, 1987 (Mimeograph).** This report is the result of a collaborative effort among a wide variety of groups and people who provided facts, information, perceptions and opinions following public hearings, town visits, etc. The main concern of this report is to explore solutions to revamp rural Illinois in terms of economic development and transportation, health care, social services, agriculture, education and local government. This report primarily created the agenda for the attention of the General Assembly for a comprehensive development of a social service delivery system for rural Illinois.

Hagen, Beverly Hartung, and Kathryn McKinley. "A Women's Consciousness-Raising Group in a Rural Area." *Human Services in the Rural Environment* **10, no. 2 (1986): 24-25.** The authors of this article describe a rural women's consciousness-raising group, focusing on the ways in which the group relates their experiences to a group development model. The main concern of this group is to deal with women's reluctance to share their thoughts and feelings in terms of their personal experiences, particularly relating to possible confidentiality issues which often exist in rural communities. According to the authors, it is no small problem. Rural women often live with isolation, lack of opportunities for education and employment, and a lack of easily accessible compatible women friends. The authors note that these rural women needed to reexamine many of their rural values and attitudes in order to develop a group which would meet their needs. Some of these rural values were task- oriented, taking care of others before oneself, avoiding the expression of differences in order to preserve compatible relationships, and not sharing personal opinions and ideas. The organizers of the group were three women in a rural community in eastern Nebraska. The authors highlight the major development stages and content of the group process. The rural value and concerns were examined and discarded by the culture of the group. As a result of participation in this group, the women were more willing to select the community activities such as church groups, political activities, and service groups of their choice. Their participation changed their personality which was reflected not only in the community, but also in their work and social life. Their choices and roles in the community activities were more voluntary and less based on the "shoulds" of the expected role of women in rural communities.

Harris, Robert G., and Candy S. Salazar. "Adopt-A-House: Building Partnerships to Save Homes: Here's What Happens When A Welfare Agency, A Major Corporation, and Labor Union Join Forces." *Public Welfare* **47, no. 4 (1989): 30-35.** The Adopt-A-House is a joint venture of United Auto Workers (UAW) Local 723, the Ford Motor Company's Monroe Stamping Plant, and the Michigan Department of Social Services (DSS). The project was created to help elderly and disabled citizens who cannot afford to make needed repairs to their homes in dangerous and dilapidated condition. Upon a professional referral to the program, an Adopt-A-House volunteer inspects the building to determine the amount of work needed to bring the building up to local building code level. After that survey, a computer-generated work plan is prepared to identify deficiencies, repair costs, materials and estimated number of volunteer hours needed to complete the rehabilitation effort. Equipment is checked out from the Ford plant, Ford workers, or from the volunteers. Materials needed for the purpose are donated by the local businesses, the United Way, and Ford workers. Without any public funds, the elderly and/or disabled individuals can live in their own homes with the help of this program. The work is done mainly on weekends with the support of community volunteers who provide lunches and snacks. This project has turned out to be so successful that Adopt-A-Home has been awarded several significant awards for its outstanding services to the community. Michigan DSS has expanded it statewide.

Henk, Matthew L. (Ed.). *Social Work in Primary Health Care.* **Newbury Park, CA: Sage Publications, 1989.** This book contains a collection of 12 articles authored by social workers and other health professionals. The authors focus on the social workers' roles in primary health care. Although none of the articles is written in rural context, some of the articles can be adapted to rural social service situations. Louise Doss-Martin and Deborah J. Stokes, for instance, in their article titled "Historical Development of Social Work in Primary Care: point out that anxiety and depression are two of the commonly diagnosed problems in primary care settings. Dealing with these problems is more appropriate and relevant for social workers than for primary physicians alone. The skills and the professional preparations of social workers are more amenable also to deal with problems like Alzheimer's disease and AIDS. The authors of the various articles and the editor's introduction discuss specific roles of social workers in public health, and more precisely in primarily care. Several authors of this volume also discuss the contribution of social workers in the field of medical education and interactions of various social service disciplines in primary health care settings.

Heyman, Steven R., and Gary R. VandenBos. "Developing Local Resources to Enrich the Practice of Rural Community Psychology." *Hospital and Community Psychiatry* **40, no. 1 (1989): 21-23.** Rural communities have major geographic, social and psychological differences and they often generate misunderstanding in the delivery of rural mental health services. The author of this paper discusses some of the service delivery alternatives available to rural community mental health psychologists. Most training programs for mental health professionals are urban oriented. Urban models and situations are being followed in dealing with rural mental care problems. The authors recommend that the rural mental health profession should be more explicitly community oriented and should enhance its levels of understanding in the context of rural communities.

Himle, David P. "Cognitive Marital Therapy in a Time of Crisis." *Human Services in the Rural Environment,* **12 1 (1988):17-22.** Recently there has been a variety of environmental stresses which affect many rural farm couples. These stresses have occurred probably due to farm crisis arising out of low crop prices, high costs of farm machinery, high interest rates, reduced land values resulting in farm foreclosures and bankruptcy. These stressors may be destructive for the farm couples' way of life and may strain their marriage. The author of this paper examines a variety of cognitive strategies which have been utilized in a cognitive marital treatment approach. The author describes the major targets of cognitive marital assessment and treatment with a special attention to the use of these strategies with rural clients who may be experiencing severe economic crisis. These strategies turn out to be effective in reestablishing trust, practicing caring and commitment, increasing positive feelings toward each other, and reinforcing each other's positive behaviors. The author supports that cognitive marital therapy is a suitable intervention which may be helpful to couples coping with farm crisis.

Hobbs, Daryl, William Heffernan, and Luther Tweeten. *"Education, Retraining, and Relocation Policy."* **Paper presented at the Rural Development Policy Options Workshops, Minneapolis, September 19-21, 1988.** This article is based generally on the following assumptions that education produces human capital which contributes to economic progress. As the foundation of rural development, human resource development deserves higher priority. Successful business development can be complemented by education and retraining. Dislocation of workers from rural areas creates extra moving costs and critical adjustments. Closer relationships are required between academic and vocational training. Innovations in rural education require increased expenditures and innovative methods of instruction and school organization. National concern for the quality of public education has increased in a major way since the publication of Nation at Risk in 1983 voicing educational reforms. Increasing educational costs, shrinking rural revenues, declining student numbers and pressures to improve schooling have revived the idea of consolidating rural schools in many states. The article concludes that in order to eliminate the chronic inequities, leadership and federal support would be needed in an urgent manner.

Hughes, Robert. "Burnout Among Country Extension Staff Involvement in the Rural Crisis. *Human Services in the Rural Environment* **12, no. 1 (1988): 23-28.** In response to concerns about rural families due to farm crises in Illinois since 1982, the Cooperative Extension Service in Illinois established a program to help farm families make decisions about their financial situations and help them cope with issues related to their families. Although evaluation studies have been conducted to examine the outcomes of these programs, there hardly has been any effort to identify the impact of the rural crisis on those working with families in rural areas. The author of this paper examines the impact of a rural crisis program on County Extension staff in Illinois. A survey indicated that staff working with distressed farm families had no higher rates of burnout than other members of the Extension staff, but the level of burnout was generally high. Opportunities to discuss concerns with colleagues and supervisors contributed to reduced levels of burnout. The author recommends several ways to manage the stress facing rural social service providers, such as enhancing relationships with peers and supervisors as well as with other social support networks. The author also stresses the importance of such studies because the crisis not only poses a challenge for rural communities but also for human service providers as well.

Hurd, Elisabeth Porter. *1990 Report to Congress.* **Springfield, IL: Illinois Planning Council on Developmental Disabilities, December 1989.** This report was part of a national effort by all State Developmental Disabilities Councils to gather information about the barriers which face persons with developmental disabilities when they want services. The effort was mandated by the United States Congress through the Public Law 100-146: The Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1987. The purpose of the Act is to provide assistance to States and public and private nonprofit agencies and organizations to assure services, assistance and opportunity to this disadvantaged group to maximize their potential through increased independence, productivity, and integration into their communities. This report presents an overview of the status of persons working and living in Illinois with developmental disabilities. This report is a product of efforts and thoughts of people with developmental disabilities and their families, consumer association leaders, service providers, state agency staff, university experts and scholars, and other interested individuals. The major findings and recommendations are: persons with all types of developmental disabilities are underserved in Illinois; services lack the components of involvement of the people they serve; funding must be linked with persons rather than the program; the existing service system must be changed to enable these people and their families to have the choice to live, work, and socialize in the communities with people with no such disabilities.

Illinois Commission on Children. *Report of the Committee on Access to Health Services.* **Springfield, IL: Illinois Commission on Children, 1984.** The Committee on Access to Health Services appointed a subgroup of the Illinois Commission on Children to study problems relating to the health of children in Illinois. The resulting report includes an analysis of the social impact of the recession of 1982-1983. The report documents the increase in the Illinois unemployment rate, the percentage of persons below the poverty level, and the incidence of medical indigence. The report establishes the fact that there is limited accessibility to health care services by all age groups and maintains that the federal budget cuts of the early 1980s only served to intensify this problem and deny health services to increasing numbers of children. The report states that socioeconomic status more than race or any other single factor, is directly related to the availability and accessibility of health care services. The committee report distinguishes between the terms "availability" and "accessibility." Availability refers to the number and distribution of health services in a community or region. Accessibility measures the available providers in relation to the people's ability to procure services. In regard to availability, the report affirms that there are certain essential services that must universally be available to all persons in order to insure the health of the children of Illinois. These services include prenatal care; family planning; genetic screening and services; nutrition for pregnant women, infants, and children; immunizations; vision and hearing screening; and school health and dental services. Through its study, the committee established these services as necessary for the normal growth and development of children. The committee also maintains that it is the state's responsibility to make these services available and accessible to all children regardless of income, family status, or geographical location. In regard to accessibility, the report identifies several factors which contribute to or inhibit accessibility. Financial resources, transportation, telephone access, feasible hours, and recognition of barriers (cultural, linguistic, architectural, and geographic) all serve to encourage or inhibit the access of an individual in need of services. The committee also determined that there is a lack of local health facilities in Illinois, with many counties in downstate Illinois lacking facilities altogether. Since many of the "essential services" advocated by the committee are provided by certified health departments, the committee recommends the expansion of local health services. The report also recognizes the problems Medicaid recipients face in accessing the health care systems. The report provides a definitive analysis of the health needs of Illinois children and the problems related to access. However, the report has a distinctly urban focus. The committee itself met only once outside Cook County. Thus, it lacks information concerning the special needs of rural Illinois.

Illinois Council on Aging. *1988-89 Annual Report to the Governor.* **Chicago, IL: Illinois Council on Aging, May 1989.** The Illinois Council on Aging in its annual report presents the state's response to the needs of its 1.9 million older citizens, 60 years of age and older. The Council, largely, concludes that many of the older people of Illinois are healthier, more independent, and more productive than the previous generations. This does not obviate the need for various services to assist older people who are living longer, facing problems of health, income security, housing and loneliness that they cannot cope with alone. This report focuses on policy issues relating to long-term care, community services, caregiver assistance, elder abuse intervention, and planning for the 1991 White House Conference on Aging. The report also includes recommendations: (1) for the expansion of the Community Care Services to such elderly persons who are mentally ill, developmentally disabled, or alcohol-dependent; (2) for restoration of budget cuts in community services for senior citizens; (3) seeking additional resources for its caregiving assistance program to enable Illinois families to continue to support their older family members and friends; and (4) taking an active role by the Council in the forthcoming White House Conference on Aging.

Illinois Department of Children and Family Services. *Illinois Human Services Plan: Human Services Data Report: Phase I: Fiscal Years l987-1989.* **Volume 1. Springfield, IL: Illinois Department of Children and Family Services, 1988.** The Department of Children and Family Services (DCFS) is one of the many agencies included in the state's human services budget. DCFS is charged with the responsibility for providing services to families experiencing problems that could result in the actual or potential abuse or neglect of children. The department also handles cases in which children will be separated from their parents and provides living maintenance for unmarried teen-aged mothers. In addition, DCFS administers community-based prevention and court-diversion programs for juvenile offenders. The report contains information regarding each of the department's seven service areas: Protection Services, Youth and Community Services, Adoption Services, Substitute Care Services, Family Maintenance, Unmarried Mother Services, and State Day Care Plan. The Protective Services area includes investigation and follow-up. Reported cases of abuse and neglect are steadily increasing because of increased public awareness of the problem. In response to this demand, the department has been able to expand the number of investigative and follow-up personnel. The Youth and Community Services area provides programs to divert youths from the Juvenile Justice, Corrections, and Child Welfare systems. The emphasis in Youth and Community Services is to provide a comprehensive network of programs. To this end, DCFS attempts to coordinate services with other human service departments and local agencies. The Adoption Services area attempts to secure a permanent nurturing environment for children who cannot remain with or return to their families. DCFS serves to recruit prospective adoptive parents, prepares children and parents for the adoption process, and provides post-adoption counseling for the child and the parents. The Substitute Care program serves to provide temporary living environments for children during the time their families undergo rehabilitation. Thus the goal is to provide children with homes until they may either return to their families or begin the adoption process. The Family Maintenance program provides services to families under stress--to support parents and to avoid the separation of children and parents. Services include counseling, advocacy, family planning, and others. The Services to Unmarried Mothers program provides service referrals and living maintenance for pregnant adolescents for whom DCFS is responsible. It also provides maternal care and counseling for other mothers who constitute high-risk pregnancy or who may experience a disruption in their education. The State Day Care Plan is developed by DCFS for the day care services provided through the Department of Public Aid and the Illinois State Board of Education. It licenses day care centers and provides technical assistance to the providers. It also provides purchased day care for families receiving services from DCFS and those in job training programs.

Illinois Department of Children and Family Services. *Child Abuse Statistics.* **Springfield, IL: Illinois Department of Children and Family Services, 1988.** This is an annual publication from the Department of Children and Family Services (DCFS). The booklet provides statistics by county and region on child abuse, neglect, and sexual abuse. The statistics are categorized by race, sex, and age. Besides, the report presents a detailed account of the scope of the problem in Illinois, and the activities of DCFS in protecting the interest of the children. The number of children reported as abused and neglected rose to 91,723 for the FY1987, representing 30.2 percent increase over the previous year. Child fatalities and sexual abuse have been the objects

of close study in the past several years. In-depth studies of reported sexual abuse and child fatalities are included in this booklet also.

Illinois Department of Commerce and Community Affairs. *Rural Development Resource Guide.* **Springfield, IL: Illinois Department of Commerce and Community Affairs, 1988.** This is a resource guide and it includes a listing of support agencies and offices as well as summaries of state and federal agency programs. It also provides information on financial and technical assistance, or direct services to businesses, agencies, communities, organization and individuals. The organizations included can provide business financing capital, employee training, government contract procurement assistance, business management assistance, and many other such resources. The segment on community development lists many social service related assistance resources such as rural community fire protection programs, housing and public facilities, elderly/handicapped assistance grants, single family housing programs, emergency shelter grants, and homeless grants programs.

Illinois Department of Public Aid. *"Learn A Living Through Project Chance: Project Chance Handbook AFDC."* **DPA2893(R-3-90). Springfield, IL: Illinois Department of Public Aid, 1990.** This handbook describes the Project Chance program. Project Chance is a program to help people on public aid receive education and training and find jobs. Anyone who receives Aid to Families with Dependent Children (AFDC) can take part in Project Chance. This handbook provides information on the Project Chance orientation, education or job skills training, job search techniques, job-related support services, and medical benefits. The purpose of the Project Chance program is to help needy people to succeed in all possible ways.

Illinois Department of Public Health. *Health Profiles of Rural Counties in Illinois.* **(Draft--unpublished copies), Springfield IL: Illinois Department of Public Health, June 30, 1988.** The purpose of this report is to familiarize the readers with the rural counties of Illinois. It presents vital information on demographic and socioeconomic and health resources of the area as well as health status and systems prevailing in the area. The profile includes counties selected on the basis of three criteria: (1) a county population not exceeding 50,000, or (2) a county without a town exceeding 30,000, or (3) located more than 20 miles from a cluster of towns that are for all practical purposes urban. Sources of information used to prepare this document are the Trends Affecting U.S. Health Care Systems, and Health Planning Information Series documents. Data have been presented for each county in the profile area together with statewide data as and where needed. The report also presents a short analysis of each area consisting of two or more counties focusing on the major health related issues and observations.

Illinois Department of Rehabilitation Services. *1990 Plan for Department of Rehabilitation Services.* **Human Services Data Report Phase I: 1988-1990. Vol. 1. Springfield, IL: Illinois Department of Rehabilitation Services, 1989.** The Illinois Department of Rehabilitation Services (IDORS) publishes this report annually to supplement its annual budget request to the Illinois General Assembly. The department is charged with the responsibility to provide services for the visually, hearing, and physically disabled in Illinois. To this end, IDORS maintains five program areas providing a wide variety of services. The program areas include Home Services; Vocational Rehabilitation; Residential, Education, and Community Services; Disability Determination; and Administration Services.

Illinois Department on Aging. *The Status of Older Women in Illinois Today: A Report by the Task Force on Older Women in Illinois.* **Springfield, IL: Illinois Department on Aging, November 1986.** The Illinois council on Aging and the Department on Aging set up a Task Force in November 1985 to examine issues and status of older women in Illinois. The Task Force focused on three major areas of concern (i.e., housing, health care, and economic security needs of older women). The task force concludes that being old, poor, and a woman increases these three interrelated difficulties: housing, health, and security.

Illinois Department on Aging. *1990 Plan for Department on Aging.* **Illinois Human Services Plan 1988-90, Phase I. Vol. 6. Springfield, IL: Illinois Department on Aging, 1986.** The Illinois

Human Services plans are submitted by each social service department in the state of Illinois. The Illinois Department on Aging holds a cabinet-level position in the state and was created through the development of federal programs for the aged. The Older Americans Act of 1965 and its subsequent amendments enabled the state to receive federal funding for services for the elderly. The funds for elderly programs are channeled from the Department of Aging to 13 regional state units. The regional units then coordinate the programs of local or county programs in their areas. Department on Aging services include five program areas: community social services, alternative care, economic opportunity, training and development, and central management. Each program area is then divided into a variety of services eligible for funding. Under each of the five program areas, the report outlines future directions, including policy and program changes and critical policy and program questions. The community social services area has established four pilot projects addressing the problem of abuse of the elderly. These projects will be evaluated in 1988 to determine their effectiveness. In 1987, the Senior Assistance System will be established to network the various agencies that serve the elderly. The alternative care program area plans to strengthen the community care program to avoid inappropriate institutionalization. The economic opportunity area will pursue the issue of employment of the elderly in areas of economic expansion and strive to continue the Title V program. The training and development area plans to develop the individualized Media Instruction Center as an alternative to personal presentations. The concept is to provide more technical training at a reduced cost for those working with the aged. The central management area will study the particular problems of older women in Illinois and also initiate a "Promote Independence" program.

Illinois Department on Aging. *Executive Summary: Elderly Abuse.* **The Illinois Department on Aging's Final Report on the Elder Abuse Demonstration Program Act. Springfield, IL: Illinois Department on Aging, May 1988.** An evaluation of four state-funded elder abuse demonstration projects were undertaken between March, 1985 and July, 1987 by the Illinois Department of Aging and a report published in 1988, titled: Final Report from the Evaluation of Four Elder Abuse Demonstration Projects for the State of Illinois. This report summarizes the results from that evaluation. Over the past decade, state and national attention focused on the issue of elderly abuse and neglect. In many states, this concern resulted in passing elderly abuse reporting legislation. Over 40 states had reporting laws, but the majority of them mandated the reporting by professionals. Instead of adopting legislation, Illinois put in efforts as an initial measure, to gather critical information about the extent, cost and effectiveness of providing for the abused elderly. Illinois passed an Act (83-1259) in 1984 in favor of these projects to identify the number of abused elderly in each project area; to identify the basic and emergency services required to respond to these elderly cases; and to formulate other details to this approach. Based on the findings of the demonstration program, the Department of Aging recommends the adoption of elderly abuse legislation requiring statewide programs.

Illinois Department on Aging. *Directory for the Elderly in Illinois 1988.* **Springfield, IL: Illinois Department on Aging, 1988.** This directory provides a listing of all state and local services for senior citizens. The book is divided by Department of Aging regions and lists local services in each.

Illinois Mentally Retarded and Mentally Ill Offenders Task Force. *Executive Summary: Mentally Retarded and Mentally Ill Offenders Task Force Report.* **Springfield and Chicago: Governor's Planning Council on Developmental Disabilities, January 1988.** In response to concerns expressed by the media, the Governor's office formed a task force to study the issues of Illinois' mentally retarded and mentally ill offenders and make appropriate recommendations. The purposes of the Task Force were (1) to study the major issues that led the mentally retarded and/or mentally ill to become involved in the Illinois criminal justice system; and (2) to recommend policy changes and implementation. In order to analyze the criminal justice system from prearrest through postincarceration, and how that system relates to the mental health system, the Task Force divided itself in five subcommittees: Lockup, Jail, Community Mental Health, Court and Prison. The Task Force considered these five areas as the intervention points for identifying and assessing the mentally retarded and/or ill persons involved with the criminal justice system. The Task Force found that a population of these mentally retarded and/or ill persons frequently and repeatedly come in contact with the criminal justice system. These persons are not considered a priority by policy makers either in the criminal justice or the mental health system. Therefore, their special needs are overlooked. The report concludes that these offenders could be identified and diverted when they come in contact with the police and jails, to rehabilitative or habilitative treatment. In the long-run, it may prevent or reduce offenses by such offenders. Public funds would be saved as a result of fewer court proceedings and in other associated actions.

Institute of Medicine. *Homeless, Health, and Human Needs.* **Washington, DC: National Academy Press, 1988.** This study was undertaken upon request of the U.S. Congress. The authors examine delivery of inpatient and outpatient health care services to homeless people. The main purposes of this study are to evaluate whether the eligibility requirements in the existing health care programs prevent homeless individuals from receiving health care services; to assess the efficiency of the health care services to homeless individuals; and to recommend activities by federal, state, local, and private entities that would improve the availability of health care services to the homeless. In fulfilling these purposes, the authors also make an effort to identify characteristics of the homeless, and explore causes of being homeless, together with their various dynamics, their health problems, health care services availability, as well as their barriers and special needs. Of the major findings, the authors report that some health problems are common to homeless people, such as alcoholism or mental illness. Programs are described providing general health and mental health care services to homeless people. In short, the authors report recommendations of the Committee which emphasize preventing and reducing homelessness before turning to immediate health care and other service needs required by the homeless people.

Institute of Medicine. *Prenatal Care: Reaching Mothers, Reaching Infants.* **Washington, DC: National Academy Press, 1988.** This publication has been supported by major foundations, corporations, and the Division of the Maternal and Child Health of the federal government. This report explores ways of drawing more women into perinatal care early and to maintain their involvement until delivery. Trends in the use of perinatal care, since 1980, have remained stable or dropped. Data indicates that since 1980 there has been a considerable increase of births to women with delayed or no perinatal care. This study has been planned to focus on the health value of prenatal care and its cost-effectiveness. It covers issues such as maternity care, financing and organization; demographic risk factors; barriers to the use of prenatal care; women's perceptions of barriers to care; providers' opinions about this delayed care; use of prenatal care. The report also highlights the lessons learned from a variety of programs and program efforts to promote use of prenatal care.

Isberner, Fred, Debra Braunling-McMorrow, Michele Jacknik, and Bruce Phillips. *Sex Education in a Church Setting: The OCTOPUS Training Manual.* **Carbondale and Edwardsville, IL: Southern Illinois University, 1987.** OCTOPUS is an acronym for a church-based sex education program for teens and parents. It stands for "Open Communication Regarding Teens Or Parents' Understanding of Sexuality." The purpose of the program is to prevent unplanned teenage pregnancy by involving religious leaders and parents in the sexuality education of teenagers. This program was designed in 1980 by a county health department coordinated task force consisted of health and social service professionals, educators and community leaders of southern Illinois primarily to unify sex education efforts. The standard school sex education was found inadequate and as such, the task force identified family communication skills, love and relationships, moral guidance, and most importantly, parents as essential components of a sex education program in family-oriented church settings. This manual provides information on responsible decision making, adolescent development, and community resources in addition to birth control, reproductive system and sexually transmitted diseases. It includes activities, exercises, and homework assignments designed to enhance family communication skills. OCTOPUS is suggested as a model program that may be replicated in other communities after necessary modification and adaptation depending on identified needs and purposes.

Howland, Marie, and Ted Miller. "Urban-Oriented Program Helped Rural Communities." *Rural Development Perspectives* **5, no. 1 (1988): 13-18.** Through December 1986, Urban Development Action Grant (VDAG) had funded 765 projects (27 percent of VDAG total) in nonmetro small cities. The program helped to create and retain jobs in the most distressed rural communities. The purpose of the VDAG program was to stimulate employment and generate economic opportunities in distressed urban and rural communities of the United States. The authors of this article describe the VDAG programs and their impact on the rural communities based on a survey conducted among 115 manufacturers who received VDAG funds. Begun in 1978, the program experienced budget reductions in 1981 and terminated in 1988. The authors indicate that VDAG seemed to work, at least in rural areas, not only in job creation and retention, but it also improved the rural businesses' competitiveness. The authors suggest VDAG subsidy programs requiring recipient firms to invest a substantial portion of their own funds could be an effective means of stimulating and retaining growth in some declining rural areas.

Jacobson, Mike, Craig Mosher, Tracy Thompson, and Tom Walz. "The Rural Crisis In America: A Gandhian Perspective." *Human Services in the Rural Environment* **11, no. 2 (1987): 29-35.** The authors of this article present an analysis of America's rural crisis and propose a rural reconstruction plan based on Gandhian principles with special attention to rural Iowa. The framework chosen for this purpose is influenced by Gandhian beliefs and thoughts that 1) social change should follow a village-based model; 2) the structural weaknesses of modern industrial development are its overriding interest in production and profits; and 3) the constructive program concept, which requires limited capital outlays, minimizes demands on natural resources, and befits a time environmental crisis and tight fiscal restraints. While reviewing the nature of rural crisis in Iowa, modernism in the form of corporate industrial capitalism has severe structural weaknesses involving heavy capital investments, violence to the environment and dependency among the poorer classes in the developed nations like America. The authors' approaches to rural reconstruction and development emphasize, as in Gandhi, human-scale development, community-owned enterprises, local community development foundations, maximum feasible participation, broad based land ownership, and minimal dependence on the welfare state. The authors show relevance of Gandhian perspectives to American rural development efforts.

Jensen, Leif. "Rural-Urban Differences in the Utilization and Ameliorative Effects of Welfare Programs." In *Rural Poverty,* **edited by Harrell R. Rodgers, Jr., and Gregory Weiher, 25-39. New York: Greenwood Press, 1989.** The author of this study examines the discriminatory impact of welfare programs on rural communities. The study reveals that despite higher poverty rates in rural area, the rural poor were much less likely than the urban poor to be eligible for welfare income. On an average, welfare income of the rural poor was comparatively much less than that of urban poor. As a result, the ameliorative impact of welfare was lowest in nonmetro areas and highest in central cities. Logistic regression analysis indicated that rural poor received lesser welfare because rural poor families are (1) more likely to have a working family head, (2) less likely to have children present, (3) more likely to be headed by a married couple, (4) less likely to be headed by a nonwhite, (5) more likely to have older heads, (6) more likely to own their homes, and (7) less likely to live in a state that offers AFDC to unemployed parents (UP). The author substantiates a considerable amount of bias that exists in the current welfare program toward the needs of the urban poor. His findings also support that limitations exist in the current welfare reform policy. The Family Welfare Reform Act, passed by the Congress in 1988, emphasizes remedial training and job placement services which would benefit the urban poor more significantly than the rural poor.

Johnson, Stanley R., Daniel Otto, Helen Jensen, and Sheila A. Martin. "Rural Economic Development Policies for the Midwestern States." In *Rural Poverty,* **edited by Harrell R. Rodgers, Jr., and Gregory Weiher, 133-55. New York: Greenwood Press, 1989.** The authors explore and examine the different perspectives and approaches of rural economic development in relation to economic resources and human performances with special emphasis on the midwest rural communities. Midwestern rural communities differ in poverty conditions from other regions in relatively high levels of economic infrastructure and human capital. The region has experienced periods of prosperity in recent times. The authors present socioeconomic performance data to characterize the rural Midwest communities and contrasts its performance with urban communities. Rural economic development perspectives are found different and these differences have many policy implications. The state and local policy makers rural economic development objectives in general are: (1) restoration of economic development and social well-being of a region to previous levels; (2) dealing with economic inequities; (3) dealing with underperformance of a region in context of its resources and potential. However, the past policy approaches were increasing resources, expanding markets, developing new technologies, and building new institutions. Policy implications relating to each of these approaches are discussed. The authors suggest that this wide variety of approaches reflects a lack of consensus among the policy makers on rural economic development. They propose a framework to monitor economic performance and evaluate actions.

Jorgensen, Lou Ann B., and Mark W. Fraser. "Rural Community Leaders' Attitudes Toward Social Problems and Social Services. *Human Services in the Rural Environment* **11, no. 2 (1987): 16-22.** The authors of this paper describe the attitudes of community leaders in a rural community which appeared to be unexplored and untouched by its proximity to adjacent communities that are experiencing substantial economic growth. The authors also examine the attitudes of the community leaders affecting their capacity to undertake systematic action to manage the social problems and issues in their communities. A survey was conducted in 1983, among 125 community leaders in a small community with a population of about 3000, in the rural west. The survey respondents rated their attitudes toward city and county government, and satisfaction with a long list of public and private services currently offered in the community. A snowball sampling procedure was used in which participants nominated others for inclusion in the survey. Two fundamental perspectives on social problems were found: one focused on a cluster of family-related problems and the other focused on a cluster of public safety problems. The researchers did not find any consistent relationship between the community leaders' view on social problems and their satisfaction ratings with social services in the community. The findings also suggest that the agencies responsible for providing services in the areas of drug abuse, depression, and delinquency may lack the public support and understanding that are crucial for their existence. The authors recommend higher levels of involvement of the social service personnel with those who hold leadership roles in small rural communities.

Kalifon, S. Zev. "Homeless and Mental Illness: Who Resorts to State Hospitals?" *Human Organization* **48, no. 3 (1989): 268-73.** This study is based on research funded by the National Institute of Mental Health, Illinois State Department of Mental Health and the Chicago Community Trust. Examining the incidence and subjective meaning of homelessness among patients in state hospitals, the author of this article wants to clarify the relationship between homelessness, illness and the hospital admission process. He found that a significant percentage (18%) of hospitalized mental patients attributed their hospitalization to problems in housing. Hospitals have been used as a resource by this group at that point in their lives. They chose hospitals as a means of securing shelter and fulfilled the social inadequacy in their own way. The author also establishes the fact that "homeless" patients readmit themselves more frequently than those with stable housing. The author shows that in spite of their illness, they have a clear understanding of the current mental health system and they use that knowledge when in need. Like many findings of the previous researchers, this researcher also suggests that "homeless" patients define the hospital as a desirable and exploitable resource. The author emphasizes that rehospitalization turns out to be a solution to housing problems and at the same time a cause of future housing problems.

Kavaliunas, John C. "State Data Centers Have Information About Rural Areas In Your State." *Rural Development Perspective* **3, no. 3 (1987): 31-33.** The author of this article introduces the State Data Centers. The State Data Center Program is a network of participating organizations that make information easily available about small towns and rural areas nationwide. The program provides vital planning and research information to small-town mayors, state and local agencies, businesses, universities and colleges, and individuals. The information is available virtually free of cost. The information provided by the Data Center is compiled from the decennial census of population and housing, the 5-year censuses of agriculture, business, and manufacturers and from other federal and state sources. This information can help farm cooperatives and small businesses to decide on the location of stores and the kinds of merchandise to stock. It is particularly useful to local communities because many federal and state agencies use the data to determine communities' eligibility for a variety of programs. Every state has one such Data Center. The contact for Illinois is: Division of Planning and Financial Analysis, Illinois Bureau of the Budget, William Stratton Building, Room 605, Springfield, IL 62706; Telephone: (217) 782-3500.

Kimmich, Madeleine H. *America's Children Who Cares? Growing Needs and Declining Assistance in the Reagan Era.* **Washington, DC: Urban Institute Press, 1985.** This book is an outcome of the Urban Institute's Changing Domestic Priorities project. The author examines the behavior of state and local government, in dealing with deferral cutbacks in providing services and income support to children and their families during the first term of the Reagan era. While during the period of 1960s through 1970s, the federal government consistently expanded services to children with adequate nutrition, housing, and health care as well as protecting the children against neglect and abuse, federal outlays decreased 11% between fiscal years 1981 and 1984 affecting 25 programs for the children. At the state and local levels, governments have taken a variety of steps in response to this inadequate federal funding. At the non-governmental levels, nonprofit organizations have been unable to fill the gap between needs and services, primarily because of their own losses of government funding combined with increased demand for their services. Overall, children's services have suffered through the unique interplay of decisions made by federal policymakers, state and local government agencies, and nonprofit agencies. The agencies that suffered least were specialized in health-related services. Those who experienced the most severe effects were agencies providing social services. The author points out that there must be much greater awareness on the part of not only policy makers but also the general public of the needs of America's children and of the existing constraints to fulfilling those needs.

Klemens, Michael D. "Thompson's 'Environmental Challenge'." *Illinois Issues* **16, no. 4 (1990): 28.** This article presents an overview of Governor Thompson's proposed waste disposal plan for the future. Governor Thompson proposed environmental issues in his fiscal year 1991 budget for Illinois. The proposal was for half a billion dollars for seven years to resolve the problem of solid waste. Governor Thompson's proposed goal is to recycle half of what is now thrown into the landfills by the end of this century. Currently, about 10% is recycled and according to current law, 25% of all waste should be recycled by the year 2000. The typical American family generates more than 4,500 gallons of garbage each year. Governor Thompson named his program the Environmental Challenge. Along with his recycling programs, he stressed prevention of soil erosion as well. The author describes the logistics of Thompson's implementation of the program by making the funds available from various sources.

Kleven, Sandra L. "Hospital Social Work in Kootenai County, Idaho: Phenomenal Growth of Rural Social Services Based on Can-Do Attitude." *Human Services in the Rural Environment* **12, no. 2 (1989): 33-35.** The author reports a success story of a hospital based social service department located in Kootenai County with less than 70,000 people, in Idaho. Kootenai Medical Center's Social Service Department, in just four years, has expanded considerably, from a base of 35 client contacts per month to a current monthly 850 client contacts. The department staff has grown from one social worker to 10 employees. While discharge service was the only service offered in the social service department, now the department offers a wide range of services including emergency room support, coordination of a rehabilitation team, education and support groups, mental health counseling, an employee assistance program, contracts to provide services to outside agencies and so forth. The factors responsible for this rapid growth of hospital social services are largely the innovative programs. The organizational approach of the hospital to new ideas made this possible. The author emphasizes that the basic philosophy of the hospital in terms of growth and ideas is borrowed from business. The encouragement of the hospital administration for new ideas combined with full authority to social service professional staff and supporting their new program development initiatives probably are the key elements of this success.

Koppelman, Jane, and Judith Miller Jones. "Crack: It's Destroying Fragile Low-Income Families." *Public Welfare* **47, no. 4 (1989): 13-15.** The authors in this article describe the devastating effects of crack addiction. Crack is almost a pure form of cocaine. It is the most addictive drug that scientists have ever confronted. Its destructive effects around the nation are many. It has overburdened hospitals, prisons, drug treatment centers, child welfare systems, and the morgues with its victims. It has been found to be a serious problem in some middle-class neighborhoods and even in rural communities. It is taking a devastating toll on the lives of low-income children and families in inner cities. Young children are involved in dealing in this drug and falling prey to its violence. Unlike the heroin trade, which was run by adult dealers, crack trafficking is dominated by children and teenagers. Fragile families with single mothers are being destroyed as more and more mothers are becoming addicted. Children are victimized by their parents' addiction. There have been some breakthroughs in the treatment of crack addiction. Unless policy makers become sensitive to this issue and devise ways to reduce the supply and check the demand, the social service system always will be under serious pressure from crack's victims.

Knitzer, Jane, and Susan Yelton. "Collaborations Between Child Welfare and Mental Health: Both Systems Must Exploit The Program Possibilities." *Public Welfare* **48, no. 2 (Spring 1990): 24-33.** The authors of this article explore the reasons for the recent interest of the child welfare and mental health agencies to work in a collaborative system. The authors also examine the practical and ideological barriers to implementing collaborations and highlight possible strategies to overcome them. The children and the families, served by the child welfare and mental health agencies have one thing in common: they are indistinguishable. There has been an increasing need of children in the child welfare system for mental health services. There are several state level studies which establish the fact that children in the states' child welfare system had behavioral profiles similar to children in the states' mental health facilities. Federal policies relating to child welfare and mental health systems share the common goal of serving children in the home and community-like settings to promote the same collaborative idea. The authors have supported their argument in favor of collaboration from public laws, state activities and public concerns. They are of the opinion that troubled and at-risk children and families can be served best if mental health and child welfare agency personnel work in collaboration.

Knutson, Ronald, Glen Pulver, and Ken Wilkinson. *"Toward a Comprehensive Rural Development Policy."* **Paper presented at the Rural Development Policy Options Workshops, Minneapolis, September 19-21, 1988.** The emphasis of rural development has mostly been on federal policy initiative because of its role in removing inequities, narrowing program gaps, providing policy leadership, and coordinating rural development programs. The authors of this article identify the problem areas that remain after state and local government initiatives have been considered and suggest ways of federal involvement in removing barriers to progress. The authors are of the opinion that farm policy cannot solve rural community problems. The federal role can be justified in perspective of broader societal effects and policy, and must be flexible enough to conform to the local rural situations. Past policies have been initiated for fragmented efforts and not for comprehensive development. Education and leadership can help optimize the mix of federal, state, and local programs, according to the authors. Major initiatives that should be taken into consideration are the elimination of fragmented unity of action and generating consensus among interest groups.

Kurtz, David P., and Elizabeth W. Lindsey. "A Locality Development Approach to Delinquency Prevention in Rural Areas." *Human Services in the Rural Environment* **11, no. 2 (1987): 9-15.** Rural communities are less likely to have a variety of resources to deal with problems of delinquency and other related services. But oftentimes they have responsibility for multiple counties with heavy caseloads. The authors of this article illustrate an innovative partnership between a social work department of a university and local communities which was established to help prevent juvenile delinquency at the local level. Following locality development approach, local teams were formed and empowered to set goals in three areas: cooperative working relationships between school and juvenile court staff; local interagency groups to plan and coordinate services to troubled youth; and development and implementation of primary prevention plans based on local issues and needs. The authors describe strategies used to create and maintain both the teams and the changes they undertook. Overall, the project was successful in improving the frequency with which school and court communicated about students who were involved in the court. Project staff capitalized on the local resources available to them. The project is currently being replicated with new group teams and with certain adaptations and modifications for other areas.

Lancaster, Wade. "Marketing Home Health Care to the Rural Elderly: From Strategy to Action." *Family & Community Health* **11, no. 2 (1988): 72-80.** In view of the crisis the rural health care delivery system is now facing, the author of this article illustrates how some of the rural primary care centers overcame their struggle for survival by way of forming a consortium. It presents a case study of the Southern Rural Health Care Consortium (SRHCC) started initially with four clinics located near one another in Northwestern Alabama and part of Northeastern Mississippi. This arrangement of working together resulted in various advantages including elimination of duplication of many administrative functions, cost reduction and better coordinated services. Currently, it represents the amalgamation of many individual Rural Health Initiative (RHI) grant facilities and several unrelated primary care clinics into a centrally administered network. Among many advantages, the case management process requiring multiprofessional assessment, cost effective services, quality of care and the involvement of the physicians' sourcing referrals are the major ones.

Lancaster, Wade. "Marketing Home Health Care to the Rural Elderly: From Strategy to Action." *Family & Community Health* **11, no. 2 (1988): 72-80.** Rural populations have been estimated to have increased. One of the characteristics of this population shift is the disproportionate numbers of the elderly and poor people living in the rural areas. The rural elderly tend to have lower incomes and are less likely to have health insurance. Compared to the general population, the elderly have more health problems and need of more health care services. As such, the needs of the elderly are beginning to dominate social and health-related issues. Unfortunately, many of the rural clinics which were created with federal support during the 1970s to provide quality primary care to needy populations are now facing a variety of problems. The author of this article illustrates how some of the rural communities saved their sick clinics by forming a consortium. The Southern Rural Health Care Consortium (SRHCC) was established in 1977. Starting with four clinics located near one another, SRHCC was able to eliminate duplication of many administrative functions, reduce costs and provide better coordinated services. Currently, the consortium represents amalgamation of several separate Rural Health Initiative grant facilities and previously unrelated primary care clinics into a centrally administered network of clinics offering health and human services to a widely dispersed rural and small town population in northeastern Mississippi and northwestern Alabama. Collectively, the consortium provides a wide variety of health and human services. The author concludes that success of such consortium depends on a consumer-oriented approach to strategic planning. The most important feature of its efforts is the identification of market segment with specific health and human service needs of the population of the area.

Lerman, Donald L., and James J. Mikesell. "Rural and Urban Poverty: An Income/Net Worth Approach." In *Rural Poverty,* **edited by Harrell R. Rodgers, Jr., and Gregory Weiher, 1-24. New York: Greenwood Press, 1989.** The authors of this study examine the changes in the locational distribution of poverty in rural and urban areas. By conventional measures, poverty rates are higher in rural than in urban areas in the United States. Yet, the rural poor are less likely to be eligible to receive welfare assistance. One of the reasons is that the rural poor are more often employed and are more likely to have some assets that make them ineligible for benefits. This study is based on data from the 1983 Survey of Consumer Finance, a household level data base containing detailed income, wealth, and demographic information. Use of an income/wealth measure does produce some important shifts in the location and demography of the poverty population. Still, using either the income or income/net worth measure revealed that poverty was higher in rural areas (21.1%) than in all urban areas (14.7%). According to the federal government's income standard and the income/net worth measure, poverty rates in rural areas and in the central cities of under 2 million people were the second and third highest. Considering the annuity value of net worth, poverty rates remain very high in both the central city and rural areas. According to the authors, this research provides only partial explanations of what lies behind the current locational distribution of poverty. Differences in the size and poverty-mix by region and rural/urban location still remain unexplained.

Louro, Chris, Linda Ganski, Doug Morton, and Elisabeth Hurd. *Supporting Family Care of Persons Who are Developmentally Disabled: Family Support/Cash Subsidy Programs.* **Springfield and Chicago: Governor's Planning Council on Developmental Disabilities, March 1987.** Traditionally, families of persons with developmental disabilities have had two options with regard to residential services for their relatives: residential placement outside the family home, or care within the family home with little or no external assistance. Recent policy initiatives have led to the development of a third option, known as Family Support. This option allows the family to maintain their child at home by providing a wide range of support services and/or cash subsidy toward the home-based care. The goal of family support programs is to stop unneeded out-of-home placement and to strengthen the family's caregiving capacity. The purpose of this report is to explore the potential for the development of a family support or cash subsidy program in Illinois to assist the home-based, care-giving families with relative developmental disabilities. The report includes a review of family needs in relation to the care, society's response to family needs, status of existing statewide programs and services, and recommendations in favor of family support programs in Illinois.

Lutzker, John R., and James M. Rice. "Project 12-ways: Measuring Outcomes of a Large In-home Service for Treatment and Prevention of Child Abuse and Neglect." *Child Abuse and Neglect* **Vol. 8, (1984), 519-24.** Project 12-ways is an innovative approach designed to reduce the recidivism of child abuse and neglect. The project provides in-home service to clients in such areas as parent-child training, stress reduction, self-control, assertiveness training, and the like. The program is funded through the Department of Children and Family Service, the Department of Public Aid, and Southern Illinois University at Carbondale. The recidivism rates for clients served by 12-ways are 4% for abuse and 6% for neglect. These rates are considerably lower than those reported by other agencies.

Main, Deborah S., Carolyn J. Tressler, Ned Calonge, Lynn Joffe, and Andre Robichaux. "A Subsidized Perinatal Care Program in a Rural Colorado County." *The Journal of Rural Health* **5, no. 4 (1989): 397-403.** A large number of medically indigent women in rural areas today are able to obtain little or no perinatal care. Perinatal care is one of the major problems of rural health care delivery systems in recent times. In Colorado, subsidized prenatal and labor/delivery programs have been introduced to help reduce the degree of this problem. The authors of this article report on two programs which have been implemented in a rural county. These programs involve private physicians, health department personnel, and social work staff at the local hospitals to collaborate in providing financial assistance, health education, and quality medical care for eligible women in pregnancy. The authors also discuss the benefits and barriers to providing of quality perinatal care in rural settings. The programs turn out to be effective in improving perinatal outcomes such as low-birth-weight and neonatal mortality.

Manderscheid, Ronald W., and Sally A. Barrett. *Mental Health, United States, 1987.* **Washington, DC: U.S. Government Printing Office, DHHS Publication No. (ADM) 87-1518, 1987.** This publication represents a continuing effort on the part of the National Institute of Mental Health (NIMH) to present statistical information on the Nation's organized mental health service delivery system. Data have been sourced mainly from national surveys conducted by NIMH, in collaboration with the state mental agencies and the American Hospital Association together with the on-going data systems of the Health Care Financing Administration. It also received data support from the special surveys conducted by the National Association of State Mental Health Program Directors. It includes, for the first time, a chapter highlighting the characteristics of a very disabled population suffering from mental disorders. The rest of the publication includes the latest data on trends in the availability, volume, staffing, and expenditures of organized speciality mental health services; the characteristics of special population groups using these services; the various features of mental health services in each state; revenues and expenditures of each state mental health agency; and Medicaid expenditures. This volume is prepared to serve as a reference for the latest statistics on the mental health service delivery system and may benefit the researchers, clinical and administrative personnel involved in the mental health field.

Martin, Wendy. "Collaborative Prevention Efforts: A Look at Two Illinois Communities." *Prevention Forum* **10, no. 2 (1990): 1-4.** This program basically describes an 18-month program conducted by the Illinois Prevention Resource Center (PRC) with a grant from the United States Department of Education (U.S.D.E.) in two Illinois communities to enhance the school and community partnership in prevention efforts. The communities identified as model sites for the program were rural Havana and urban Springfield, both in Illinois. The project goal was to enhance the community development process toward building partnerships for comprehensive prevention efforts. Community volunteers were recruited from these two sites to take responsibility for taking part in the program planning and implementation process. The volunteers were trained and the training included prevention orientation, community development oriented planning process, and components of effective prevention programs. This program also involved the parents, community committees, and clubs to work together to meet the program objectives. The project created snowballing effects on the communities and has been renewed, expanded and is moving in new directions.

Matthews, David. "Why Some Communities Can Solve Their Problems." *Community Education Journal* **71, no. 1 (Fall 1989): 22-24.** As the president of the Charles F. Kettering Foundation, the author has been involved in research on basic problems in three areas—science, education, and government. Through his work with the Foundation, he observed that community leadership is sometimes effective in solving its problems and sometimes it is not. Some communities are effective and some are not in solving their problems. He presents his observations based on impressions and reports developed by others. The author comments that effective communities are different, not because of economic or demographic or regional variations, but because of better community education. Effective communities are different in five ways. They differ as follows: (1) the way they think about community education; (2) the kinds of information available; (3) the way of talking about public ;matters; (4) their understanding of public opinion; and (5) most important, different concepts of public leadership. The author concludes that no community is effective all of the time and it is important to develop leadership that is truly and strongly public.

McClure, Steve. "Governor's Home Town Awards Program." *Illinois Municipal Review* **69, no. 3 (1989): 17-18.** The Home Town Awards Program is developed by the Illinois Department of Commerce and Community Affairs (DCCA), in cooperation with the Governor's Office of Voluntary Action and the Department of Aging. Two corporate sponsors, Illinois Bell and State Farm Insurance Companies, for the first time, have offered to support the program. This program is meant to recognize voluntary citizen participation in community improvement and economic development efforts. This is an annual program, and through this article, the author, who is a director of DCCA, invites application for the Ninth Annual Governor's Home Town Awards Program from the communities. Any city or village, or other local government, community organization, community action agency, or group of citizens within Illinois is eligible to enter the competition. Projects like commercial/industrial retention or attraction, job creation, development of a small business incubator, downtown improvements, parks and playgrounds, farmers' markets, sidewalk replacement, artwork shops, adult literacy programs, nature centers, blood banks and bloodmobiles, meals- on-wheels and many more usually meet the entry criteria. This Home Town Awards Program is a regular annual feature in Illinois now.

McGranahan, David A. "Crime and the Countryside." *Rural Development Perspective* **2, no. 2 (1986): 2-8.** Although urban crime rates have been consistently higher than the rural rates, since the mid-1970s, crime rose in small towns and rural areas, too. The author focuses on three questions related to the increase in reported crime in rural areas and small towns: (1) Does rural crime represent a spread of an urban problem to rural areas? (2) Do large cities and small towns have different types of crime? (3) Is crime associated with particular social and economic characteristics such as race or poverty? In answering these questions, the author makes an attempt to generalize that teenagers are involved in a high proportion of property crimes; crime is the highest in areas where opportunities for crime are good; where poverty and income inequality are high and where community and family ties are weak. The violent crime rates account for higher proportions of children in broken families. Family structure is linked to rural property crime. According to this study, the most important social characteristic for crime is broken families; The percentage is higher among children not living with two parents. The decline of traditional family structure and its association with the rise in crime may relate to problems of social and personal disorganization rather than simply assigning each other as cause and effect.

Menolascino, Frank J., and Jane F.Potter. "Delivery of Services in Rural Settings to the Elderly Mentally Retarded-Mentally Ill." *International Journal of Aging & Human Development* **28, no. 4 (1989): 261-75.** Distance, education and capital are recognized as the major constraints the rural communities face for their mentally-retarded elderly population in providing the psychiatric and social support services. But, in view of the facts that there is a five-fold increase in the life-spans of the mentally retarded group in recent decades and it is are twice as likely to develop severe behavioral problems, it is necessary to overcome these rural constraints. This paper examines the ways and means to ensure that these elderly citizens receive the appropriate psychiatric services and community assistance.

Miller, Robert S., and JoAnn Ray. "The Satisfaction of Community Mental Health Professionals with Life and Work in Rural Areas." *Human Services in the Rural Environment* **10, no. 2 (1986): 5-11.** There was a concern over high rates of job turnover following rapid influx of urban mental professionals into rural areas during the 1970s. Based on this concern, the authors of this article explore the job characteristics and the work and lifestyle satisfaction of rural mental health professions. A survey of Washington state rural community mental health professional workers was conducted to identify variables that affect satisfaction with rural life and work. Psychologists and social workers constituted 70% of the respondents of the 8-page questionnaire and the remaining ones were counselors, nurses, psychiatrists, educators, and other professionals. The authors report moderately high levels of job and lifestyle satisfaction. Professionals planning to leave their rural employment and residence indicated lower levels of satisfaction and shorter job terms. Professionals with previous life and previous work experiences in rural areas indicated higher satisfaction. Those who had taken courses on rural topics or had rural practicum experience expressed higher levels of preparedness to work and live in rural areas. The findings strongly support the guiding premise of this research that anticipatory socialization in the form of life and educational experiences correlates with higher levels of lifestyle and job satisfaction.

Mindick, Burton, and Constance Hoenk Shapiro. "Improving Family Planning Services to Rural Adolescents." In *Adolescent Sexuality: New Challenges for Social Work,* **edited by Paula Allen-Meares, and Constance Hoenk Shapiro, 99-111. New York: Haworth Press, 1989.** The authors of this article describe a longitudinal study conducted in three counties of upstate New York showing that contraceptive availability is not enough. The counties used for the purpose of this study were predominantly rural with large pockets of poverty. The study was conducted among four groups, as research subjects: (1) 300 (100 in each county) randomly selected low income young women of child-bearing age who might or might not be using birth control; (2) service providers who are in regular contact with these women in the context of WIC, or prenatal clinic programs; (3) 600 young women, evenly distributed among the three counties, comparable to group 1 but were identified through their country family planning services during the first six months of premeasurement data collection; and (4) the providers and clinics utilized by the second group of women as they initiated contraception or made return visits. Of the total sample obtained, 39% of the total samples were aged 13-17, and 45% of the clinic samples were of the same age group; race was homogeneously Caucasian (97%). Respondents' own income was less than $15,500 annually in 95% of the cases. Three-fourths of the fathers and four-fifths of the mothers of the respondents had completed not more than high school education. The data collection focused on (1) the kind of contraception chosen initially; (2) any changes in method later; (3) the frequency and timeliness of return visits to the clinics; (4) any contraceptive side effects or other medical conditions reported to the clinics; (5) any pregnancies or births, and their wantedness or unwantedness; (6) change in marital status; and (7) clinic adherence, dropout or transfer. Combining all the variables, subsets, county, demographic, personality, and birth control yielded an R of .64, highly significant. But, geographical location or clinic was non-significant. Clinic clients had more affirmative birth control attitudes and stronger contraception intentions but wanted to share contraceptive responsibility with their sex partners more than the non-clinic subjects. The claim that contraceptive availability is sufficient to prevent unwanted pregnancy is not supported by this study.

Moffatt, Ken, Louis Gliksman, and Ronald R. Douglas. "Rural Independent Movie Theatres as a Channel for Disseminating Alcohol Information." *Human Services in the Rural Environment* **13, 2 (1989): 36-39.** The purpose of this article was to explore the stability of utilizing independent rural commercial movie theaters as a drug information channel. The authors instituted a pilot intervention to assess the receptivity of move theater patrons in four rural northern communities in Ontario, Canada. They exhibited an alcohol prevention film of 5-minute duration, as a short subject item, prior to showing the main feature film. Audience receptivity to the intervention was measured through a consumer satisfaction questionnaire. Overall, the audiences did not object to the idea of viewing an educational short film on alcohol before the main feature film. The respondents insisted on the quality of the film. The authors note that rural independent theaters in rural communities provide a suitable information disseminating channel for public concern for alcohol related issues.

Murdock, Steve H., F. Larry Leistritz, Rita R. Hamm, Don E. Albrecht, Lloyd Potter, and Kenneth Backman. "Impacts of the Farm Financial Crisis of the 1980s on Resources and Poverty in Agriculturally Dependent Counties in the United States." In *Rural Poverty,* **edited by Harrell R. Rodgers, Jr., and Gregory Weiher, 67-91. New York: Greenwood Press, 1989.** The authors of this study examine the impact of the "farm crisis" of the 1980s on agriculturally dependent counties in the United States. It is revealed in their analysis that farm financial crisis has resulted in a larger proportion of producers leaving agriculture than at any other period since the 1930s, and in a major decline in agricultural trade centers, particularly in the Midwest and Great Plains states. The effects of the crisis are well documented and widely known, but its impact on the social and economic welfare of rural areas has not been largely examined. The authors identified 472 agriculturally dependent counties in the United States, and examine the effects on the incomes of households of the agricultural producers, business operators and employees in rural communities using parameters derived from U.S. Department of Agriculture and other related surveys and studies. The results reveal substantial income effects. Many producer households, particularly under assumptions that income is spent for debt retirement rather than for household expenses, can be expected to experience a significant reduction in income, and many could be forced to live at poverty levels. As regards business operators and employees, similar patterns have been noticed. The impact of the crisis is not only confined to rural agricultural producers, it could result in declines in financial, service, and human resource bases in rural areas. The authors alert the policy makers to be aware and to understand the impacts of this crisis in the rural areas, beyond agricultural sectors, and institute necessary policy initiatives for all sectors without further delay.

Nandy, Bikash Ratan. "Description of Community Initiatives and Strategies to Deal with Teenage Pregnancy/Parenthood in Southern Illinois." Master's Thesis, Southern Illinois University at Carbondale, 1986. The purpose of this paper is to provide a description of the initiatives and strategies of the major agencies, operating in and for southern Illinois, dealing with teenage pregnancy and parenthood. The author has made an effort to pull together the scattered information available and has shown how a 30-county-wide southern Illinois area has been confronting the teen pregnancy/parenthood related issues in the context of the state and the nation. The researcher formed an opinion that initiatives and strategies directed toward teenage pregnancy/parenthood are more concerned with consequences rather than prevention, beginning after the fact of pregnancy rather than with measures to prevent it. He has observed that despite a considerable decline in teen parenthood – a decline that may be attributed to the efforts of the agencies, the problem still persists. It would seem, therefore, that different strategies should be explored. The author suggests a community development strategy by: educating the at-risk population to regard the problem as their own (i.e., to assume responsibility for it); effective communication with the at-risk population in order to elicit solutions from them; and finally, involving established community institutions, like family, church, school, local associations, and others, in dealing with the problem, rather than totally relying, as the case is now, on social service agencies.

Narins, Dorice M., and Virginia R. Hill. *Illinois State Council on Nutrition Report on Nutrition and Teenage Pregnancy Hearings.* **Springfield, IL: Illinois State Council on Nutrition, January 1982.** One of the major factors influencing pregnancy outcomes and health of teenage mothers and their infants is nutrition. Many of these teenagers have poor nutritional status when they become pregnant, and during pregnancy, due to weight reducing fad diets, skipping meals, eating high calorie and low nutrient snacks, and going to fast-food places which offer little variety of foods. Nutritional needs are further increased as these teenage women are still going through physical growth and maturity during pregnancy. In view of the critical role of nutrition on teenage pregnancies, the Illinois State Council on Nutrition held public hearings in Chicago on September 15 and in Carbondale on September 17, 1981. These two locations were selected on the basis of the fact that these areas have a high incidence of infant mortality. This report summarizes the major issues those were identified with the supporting testimony. As regards the findings of the testimony, specific deficiencies result from low income and/or poor nutritional habits of teenagers, lack of understanding of the increased nutritional demand during pregnancy and the relationship between good nutrition and fewer complications during pregnancy as well as a healthy infant.

National Association of Rehabilitation Facilities. *1988 Rehabilitation Facilities Sourcebook.* **Washington, DC: National Association of Rehabilitation Facilities, 1987.** The National Association of Rehabilitation Facilities (NARF) is the largest national organization representing the interests of medical, comprehensive, developmental and vocational rehabilitation facilities serving the needs of disabled persons. Since its inception in 1969, NARF has provided leadership in promoting a national climate of public and governmental understanding and supporting the cause of community rehabilitation facilities and their clients. This sourcebook is the third annual publication and it is meant to unify the whole industry providing services to persons with disabilities and to the community at large. The sourcebook provides information on NARF, its officers and Board of Directors together with the state chapters and staff. The sourcebook includes: a comprehensive list of the largest and most nationally prominent rehabilitation facilities in the United States; metropolitan areas serving the greater metropolitan area of a city with facility name and city listing; and cross references of rehabilitation facilities.

National Institute of Mental Health. *Mental Health Directory 1985.* **Washington, DC: U.S. Government Printing Office, 85-1375. Compiled by Marion R. Warsack, Paul R. Henderson, Michael J. Witkin, and Ronald W. Manderscheid, 1985.** This directory includes nationwide listing of mental health organizations and related resources as a guide to mental health services that are currently available throughout the United States. It provides a variety of information to assist both mental health practitioners and planners in the field, and individuals seeking help. It may also help mental health and other providers in facilitating patient referral. Mental health organizations are defined as administratively distinct governmental, public or private agencies or institutions that have as a primary objective the direct provision of mental health services to the mentally ill or emotionally disturbed. Mental health organizations include primary locations at which services are delivered as well as satellite organizations, but are located at different addresses and/or have different names. Both types are shown in the directory by state and city within state, each arranged alphabetically. Data provided for the individual organizations were collected through the Inventory of Mental Health Organizations conducted in August 1982 by the

Survey and Reports Branch, Division of Biometry and Epidemiology, NIMH and with the assistance of each of the state mental agencies listed separately at the end of the directory.

Nelson, Bernard O., John McRae, and Gladys J. Baldwin. "Using Working Agreements to Promote Interorganizational Cooperation in Rural Communities." *Human Services in the Rural Environment* **12, no. 2 (1988): 5-10.** With the decrease in human services, primarily due to government cutbacks in traditional funding sources, research on interorganizational cooperation has been the subject of major interest in social service fields. Interorganizational cooperation has been applied to working agreements in urban areas as a means to extend limited resources. The authors of this paper show that the interorganizational theory is equally applicable to rural areas. The formal working agreements can serve as useful links between organizations and can specify the boundaries of responsibilities of the staff members. In the event of any change in personnel, working agreements can help maintain consistent cooperative relationships between organizations. The authors also examine the forces impeding and promoting cooperation between agencies. They also cite examples of successful working agreements used in rural parts of eastern Washington state. The authors emphasize that in view of the competitive environment of health and human services programs, interorganizational working agreements can flourish.

North, Douglas M. "Widening Horizons by Degrees: The Nation's Colleges Are Opening Their Doors to AFDC." *Public Welfare* **47, no. 4 (1989): 23-29.** The author of this article describes the development and expansion process of a program which he originated, that makes provision for single-parents in the college and university systems for higher education. There has been a tremendous growth in single mothers, many of whom are on welfare and are eligible for the Job Opportunity and Basic Skills (JOBS) program. Now over 100 colleges either have or soon will have single-parent programs that fit their particular situations. With a grant from the Department of Education's Fund for the Improvement of Postsecondary Education (FIPSE), the Consortium of Single-Parent Educators has been formed to extend the program for single parents in other colleges. This program is designed to bring single-parent educators together to share ideas and information. The author described briefly some innovative programs in quite a number of colleges and universities around the country. Addressing benefits of these programs, the author emphasizes that a residential program immerses single parents more fully into educational and personal development than part-time study or commuting adult status. The author is hopeful that in the immediate future, as colleges and universities become more sophisticated in program design, there will be more appropriately focused programs for single parents.

Otto, Daniel. *"Rural Leadership Policy."* **Paper presented at the Rural Development Policy Options Workshops, Minneapolis, September 19-21, 1988.** The author of this paper reviews the historical context of efforts to develop decision-making capacity in rural areas, examines the existing critical issues, federal role, and discusses policy options for dealing with the leadership crisis in rural areas. Long-term economic and social changes are occurring at a time in the rural areas when the experienced powerful leaders have retired or been eliminated by economic adversities. A new generation of leaders is required to cope with the complex problems in a changed situation. It has been observed that myths and emotions guide decisions in the absence of facts and figures. Review of the literature focuses on two major approaches to improve the leadership and decision making capacity of rural communities. These are community leadership programs and policy education/strategic planning process related programs. The author finally comments that there is no easy way of developing leadership. In the short run, technical assistance combined with skills development assistance is perhaps essential. But in the long-run, an effective long-term educational base with economic opportunities that attract talented individuals to live in the rural areas must be addressed.

Parks, Arnold G. *Black Elderly in Rural America: A Comprehensive Study.* **Bristol, IN: Windham Hall Press, 1988.** This is a fact book comprised of descriptive statistics from the 510 interview responses of black people 60 years and older in three states, Arkansas, Mississippi, and Tennessee. The author documents high infant mortality rates among rural blacks, especially in the South. He also documents the health status of rural elderly black and indicates the fact that generally, their health status is now receiving attention. The book contains a "Summary of Answers to Questions Raised" which provides an overview of the study focusing on problems of black elderly in contrast to white rural elderly. The author also discusses the effects of race on health care service utilization. The book suggests further studies to identify the consequences of black and white differences of the elderly in rural areas.

Patton, Larry T. *The Rural Homeless.* **Rockville, MD:. National Center for Health Services, 1988.** Homelessness is not only an urban problem, it is also a reality in rural America. Rural residents as a tradition, have disguised the magnitude of the problem of rural homelessness by offering shelters and hospitality to their homeless relatives, friends and neighbors. In other words, the rural homeless preferred self-help and reliance on relatives, friends, and neighbors to the government-supported programs. The rural informal community can no longer shoulder the burden alone. The situation seems to be changing. The rural informal support network has started disintegrating due to farm erosion and other economic crises. The author of this study examines the nature and cause of homelessness in rural areas together with a brief review of the rural economy, the nature of the rural environment and rural social service networks as well as medical care utilization by the homeless in the rural areas. He summarizes his observations by writing: rural homelessness is essentially an economic problem; the tradition and nature of rural communities obscure the problem of homelessness; the rural economic crisis may increase the public burden of rural homelessness; the rural homeless appear to be slightly younger than their urban counterparts; the ability to access medical care in times of emergency appears to be inadequate; and preventive care is seldom used. The final word from the author is that even a relatively low number of homeless individuals and families may jeopardize the resource base of the rural community.

Pickard, Myrna. "Nursing Schools Respond to Rural Needs." *Rural Health Care* **11, no. 6 (1989): 10-11.** The author of this article presents some findings from a February 1989 American Association of Colleges of Nursing (AACN) survey. The purpose of the survey was to determine the number and types of educational programs in rural nursing, and the unmet program gaps. The survey revealed that public health clinics are the most common rural clinical facilities used. Several schools are expanding into home health care and nursing homes in rural areas. The author notes that the need for nurses in home health care will be twice as much in the next 20 years. The home health care nurses will be required to provide a wide range of services, from pediatric to AIDS and Alzheimer's diseases. One important health need of the rural communities now is preventive services such as health screening clinics and wellness education. In addition, there are other needs and opportunities, too, such as adult day-care, hospice, home maker services, and meal delivery to help the elderly remain at home. Nursing schools are also bringing their programs to the learners in rural areas through telecommunication systems; 21 schools of nursing now teach nursing courses via satellite. The nursing schools are becoming more sensitive to the needs of nontraditional students. The author recommends creative and innovative approaches which may help solve some of the rural health care delivery shortfalls.

Pierce, William. "The Solutions Are in the Community." *Community Educational Journal* **17, no. 1 (Fall 1989): 18.** This article emphasizes the fact that solutions to every problem are imbedded in and dependent on the community. Problems can be addressed at the national level, but their solution can be had by the development of new policies and approaches at the state level. However, solutions can finally be found at the community level. The community educators should have the greatest degree of expertise to generate community involvement. Community involvement is one component which has the greatest potential for success. The author suggests that community educators should become an integral part of the solution to the community problems.

Plotnick, Robert D. "Can Income Transfers Promote Economic Development in Poor Rural Communities?" In *Rural Poverty,* **edited by Harrell R. Rodgers, Jr., and Gregory Weiher, 119-132. New York: Greenwood Press, 1989.** The author explores whether government transfer payments such as Aid to Families with Dependent Children (AFDC), food stamps, unemployment insurance, Medicare, and Social Security can contribute to economic development and create jobs in small rural communities. Public transfers account for an important source of personal income in the United States. In 1984, they came to $1,765 per capita or 13.8% of personal income. In nonmetro counties, it was slightly lower at $1,734 per capita or 17.2%. The author examines the possible contribution of these individual transfer payments and raises the idea of combining these transfer payments with other economic strategies to serve a dual purpose of "safety net" and economic development. This plan would not result in any increase in the welfare cost, yet might minimize state expenditures. The retirement programs, for example, like social security, Medicare, rail-road retirement, military pensions, and state and local benefits have the advantage of not requiring the recipient to live in a specific community. Retirees can relocate to rural areas, bringing their purchasing power and investments. The result virtually equals a basic industry. The author points out that both Unemployment Insurance and welfare based expenditures to provide skills may have greater promise if they are integrated appropriately with expansion plans of local enterprises and industrial redevelopment plans. The author concludes that under limited circumstances, the impacts of such programs may be gainful.

Purschwitz, Mark A. *Fatal Farm Injuries to Children.* **Marshfield, WI: Wisconsin Rural Health Research Center, May 1990.** This document is one of the Agricultural Injury Series publications of the Wisconsin Rural Health Research Center (WRHRC), which currently is one of five federally funded rural health research centers. Farming has many dangers for growing children. Each year, between 175 and 300 children die from farm accidents and thousands of them receive severe injuries. Many of these accidents are preventable. The author of this article summarizes the current knowledge on fatal injuries to children. He presents the children's close relationship with farms while growing up in an agricultural community, defines the "children" and "farm injury", frequency and numbers of fatal injuries to children, age distribution, seasonal variation and types of fatal injuries. The author recommends prevention of accidents basically through education. Changes in equipment design considering the children, may perhaps be one preventive measure. The author hopes that this study can generate a national effort to prevent avoidable deaths and injuries of farm children each year.

Rasmussen, Wayne D. "90 Years of Rural Development Programs." *Rural Development Perspectives* **2, no. 1 (1985): 2-9.** The author of this article traces federal efforts to ameliorate the rural problems for the past 100 years. In 1908, when the Country Life Commission was appointed by President Roosevelt, over one-third of all Americans lived on farms. The Commission's report on country life presented the first nationwide study of rural living, the general condition of farm life, its problems and recommendations to solve them. The report stimulated more action on "farm-to-market" roads. Subsequently, many legislative acts (1933-38) touched upon farm production, food consumption, rural electrification and overall rural life. Today's rural programs began in 1954 primarily because of persistent rural poverty in the midst of agricultural abundance and national prosperity. Although rural areas are catching up to urban areas, significant disparities still exist. The author touches on some of the federal achievements and accomplishments in terms of its rural programs, but still the gap between needs and resources are to be narrowed or eliminated.

Roberts, Deborah N., and Paul D. Sarvela. "Community Care Workers in Rural Southern Illinois: Job Satisfaction and Implications for Employee Retention." *Home Health Care Services Quarterly* **10, no. 3/4 (1989): 93-115.** The authors examine factors related to the job satisfaction of the community care workers, as a method of assessing problems related to employee turnover. Data were collected from 393 community care workers who worked with elderly clients in 13 southern-most rural counties in Illinois during 1987. The findings suggest that the majority of workers were satisfied with their job. There were, however, differences in the mean scores of those employed for more than one year. They had significantly lower satisfaction scores than those employed for less than one year. Many of the respondents are of the opinion that people quit because the job was too stressful or frustrating and training was not adequate. The authors recommend pre-service training, opportunities for promotion and a health education program for these workers to cope with the stress of the job.

Rodgers, Harrell R., Jr., and Gregory Weiher (Eds.). *Rural Poverty: Special Causes and Policy Reforms.* **New York: Greenwood Press, 1989.** This book contains a collection of research-based papers contributed by individual authors on rural poverty in the United States. All of the authors are in agreement that rural poverty is often caused by many of the same factors, but there are major differences. Rural poverty is more likely than urban poverty to be caused by insufficient employment compensation, growing unemployment, depressed agriculture and welfare ineligibility of the deserving poor due to asset limits. The authors also conclude that the welfare programs have urban bias and are unresponsive to rural poverty and suggest alternative reformatory actions to redress rural poverty. There are various programs such as enhanced AFDC benefits to two-parent families, liberalized work-related deductions, child care, child support, and health care which might help the rural poor. The rural poor would also benefit from an increased minimum wage, retraining, job placement and small-business start-up programs. Finally, the authors, as a solution, point out that rural economics need frequent restructuring and simulation in an effective and innovative manner.

Russo, Philip A., Jr., Douglas H. Shumavon, Kenneth Hibbeln, and Frank McKenna. "Nonprofit Agencies Adapt to Changing Fiscal Climate to Delivery Social Services." *Rural Development Perspectives* **5, no. 1 (1988): 26-30.** The authors of this article discuss how some nonprofit agencies in the rural areas of Ohio are coping with the changed federal budget situation and the implications of their strategies for social services in the rural areas. The discussion is based on data from 12 nonprofit agencies administering three federally funded social service programs in rural Ohio: the Social Services Block Grant, the Community Service Block Grant, and the programs funded through the Older Americans Act. The 12 agencies have been categorized into two types: (1) small single-clientele nonprofit agencies working in narrow substantive policy area, (2) mega-agencies, serving many nonmetro client groups and a wide geographic area administering a variety of programs for local governments. Recent funding cutbacks in many programs have affected their usual way of operations. Where there used to be one nonprofit agency for each group or program, some of these organizations have started to branch out and compete against others to serve clients under several programs and in several political jurisdictions. As a result, some single-purpose agencies are being edged out. In the process, local needs and priorities were distorted in favor of extending services for which federal funds could be available.

Ryan, George H. (Lt. Governor). *Guide to Senior Services.* **Springfield, IL: State of Illinois Office of the Lieutenant Governor, Summer 1987.** This Guide Book has been compiled in order to inform the senior citizens of the programs available in Illinois for them. It contains general information with addresses and telephone numbers of the Senior Actions Centers, Legislative Forum, Office of Department of Aging, Senior Centers, Area Agencies on Aging, and so on. It also provides information on education, programs for senior citizens in many Illinois Universities and Community Colleges, indicating the facilities available for them to pursue education; employment opportunities and its eligibility; financial assistance from state as well as federal agencies; community action agencies offering a wide range of services to the seniors; health care services; housing assistance of various types; legal services, services for the physically impaired, recreation and tax benefits; transportation; volunteer opportunities; and miscellaneous programs and services.

Ryan, George H. "Grassroot Solutions for Grassroot Problems: Recent Legislation Aids Rural Illinois." *Illinois Municipal Review* **68, no. 11 (1989): 23-24.** The author of this article is the Lieutenant Governor and Chairman of the Illinois Rural Affairs Council. He discusses three recent legislations: The Illinois Rural Bond Bank, the Institute for Rural Affairs, and the Medical Education Loan Bill. Illinois Rural Bond Bank will allow local governments to borrow money for improvement and development projects at a reasonable cost. The Bond Bank is designed to serve any town with a population of less than 25,000; all counties below one million population; school districts, community colleges. The second piece of legislation provides funds for the Institute for Rural Affairs at Western Illinois University (WIU) in Macomb. The WIU project is a statewide clearinghouse for rural information designed to work with all of the colleges and universities across the State to collect information on rural Illinois and to strengthen rural Illinois' economic development programs, health care and education, rebuilding a rural data base, and to complete the projects identified by the Task Force on the Future of Rural Illinois. The third piece of legislation amends the Family Practice Residency Act, establishing the Medical Education Loan Repayment Program. This program establishes a grant to recruit and retain physicians in areas of need for greater health care in Illinois. Under this program up to $25,000 or 25 percent of a physician's loans may be given to a doctor who chooses to practice in an area serving rural or disadvantaged urban citizens.

Ryan, George H. "Rural Affairs Council--Achievement and Future Opportunity." *Illinois Municipal Review* **68, no. 2 (1989): 19.** The author is the Lieutenant Governor and Chairman of the Rural Affairs Council which was created in October 1986 to help the planning and delivery of all state programs and services for the benefit of rural Illinois citizens, communities and businesses. The author highlights the accomplishments of the past two years and the ongoing programs states. A Center for Value-Added Agriculture at the University of Illinois has been funded to develop new agriculturally based high-tech manufacturing. The Institute for Rural Affairs at Western Illinois University is working on the report on the rural community needs. The Star School Program, a cooperative venture between State Board of Education and Western Illinois University is working to provide improved instruction in mathematics, science, and foreign languages to 72 Illinois schools via satellite transmission to enhance rural students' competitiveness in college admission examinations. Rural Health care is also an area to receive attention. A program providing increased reimbursement to physicians for prenatal and delivery services in high infant mortality areas is available in Illinois' seven southernmost counties.

Sarvela, Paul D., Deborah Jenkins Pape, and Srijana M. Bajracharya. "Age of First Use of Drugs Among Rural Midwestern Youth." *Human Services in the Rural Environment* **13, no. 3 (1990): 9-15.** The authors of this paper identify the age of first use of eight substances (i.e., alcohol, chewing tobacco, smoking tobacco, marijuana, stimulants, depressants, inhalants, and cocaine) among the youth of rural Illinois. Data were collected in 1987 from 3,907 junior and senior high school students in rural central and southern Illinois. The authors found that males consistently tried drugs before females. Alcohol had been tried by 19.8% of the male students and 11.9% of the female students of the 4th grade. Of the 12th grade sample, 7.8% had tried chewing tobacco by the 4th grade and 10.7% of the 7th grade sample had tried it by then. In conclusion, the authors stress that all these findings support drug education programs in rural junior and senior high schools.

Sarvela, Paul D., and John R. Moore. "Nursing Home Employee Attitudes Toward AIDS." *Health Values* **13, no. 2 (1989): 11-16.** The authors of this study examine nursing home employee attitudes toward AIDS and AIDS-related issues. It is based on data collected from 343 employees from 13 nursing homes in rural small towns in southern Illinois during the spring of 1988. As indicated in the findings, a large majority of the employees had negative attitudes toward people with AIDS. The health workers (51%) also stated that they should be able to refuse working with patients with AIDS. Another 46% felt that hospitals and nursing homes should also be able to refuse admission of patients with AIDS. The authors discuss educational strategies to reduce these negative employee attitudes as well as policy development issues for nursing home administrators.

Sarvela, Paul D., and E. J. McClendon. "Indicators of Rural Youth Drug Use." *Journal of Youth and Adolescence* **17, no. 4 (1988): 335-47.** The authors examined the relationships between personal substance use, health beliefs, peer use, sex, and religion. Data were collected from 265 middle school students in rural northern Michigan and northeastern Wisconsin in January and February 1984. Findings showed a positive correlation between peer and personal drug use together with a relationship between health beliefs and personal substance use. In a regression model health beliefs and personal substance use accounted for a statistically significant amount of the variance of alcohol, marijuana, and cigarette use in the target population. The study concludes with recommendations concerning future research, improved health education program development methodology and providing psychotherapy in the possible target areas among the youth population.

Sarvela, Paul D., Deborah Jenkins Pape, Justine Odulana, and Srijana M. Bajracharya. Drinking, Drug Use, and Driving Among Rural Midwestern Youth." *Journal of School Health* **60, no. 5 (1990).** The study examines the prevalence and predictors among high risk groups of two drinking under the influence (DUI) behaviors: driving after drinking or using other drugs, and riding in a car with a drinking driver. Data were collected from 3,382 junior and senior high school students in central and southern Illinois. The findings confirm that drinking, drug use, and driving increased consistently with age; 42% of the 12th grade class indicated that they have driven a car at least one time in the past six months after drinking or using other drugs. Riding with a drinking driver also increased with age. Correlation analyses indicated 22 variables related significantly to drinking, drug use, and driving. The study concluded that DUI constitutes a major public health problem among rural junior and senior high school student populations.

Sarvela, Paul D., Paul R. Newcomb, and Eliza Ames Littlefield. "Sources of Drug and Alcohol Information Among Rural Youth." *Health Education* **19, no. 3 (1988): 27-31.** This study identifies rural youth sources of drug and alcohol information to determine baseline information for the development of appropriate rural drug and alcohol abuse prevention programs. It is based on 622 samples collected from junior and senior high school students in rural northwest Ohio in May 1985. The survey instrument was based on program objectives outlined by school authorities in identifying the extent to which drugs and alcohol were problems in their schools. The study conflicts with some of the previous studies and confirms that the media, the family and close friends are important sources of drug and alcohol information. The authors recommend further studies with a more geographically dispersed sample, covering both rural and urban conditions for more generalizable results.

Schnell, Barry T. *The Teenage Parent's Child Support Guide.* **Yorklyn, DE: Advocacy Center for Child Support, 1988.** This publication is designed to provide comprehensive information and consumer resources for teenage parents, child support advocates, and social service providers. This is an outcome of the author's discussion with over 200 teen parent program directors, family court judges, and child support, health care, and social service providers who have daily contacts with young parents. The book is organized in 10 chapters to help teen parents become familiar with their rights and responsibilities in the real world. The author emphasizes that with a good support network, teen parents can make decisions without having to wait until a problem becomes a crisis. Teen parents need to explore their feelings about welfare. Teen parents must understand that welfare is not charity, and government programs are meant to providesome assistance to individuals with certain needs. The author presents a wide range of information on the support systems available to teen mothers, from locating the father of her infant to locating a job.

Shapiro, Constance Hoenk. "Networking with Rural Adolescents and Their Parents to Promote Communication About Sexual Issues." In *Adolescent Sexuality: New Challenges for Social Work,* **edited by Paula Allen-Meares, and Constance Hoenk Shapiro, 143-154. New York: Haworth Press, 1989.** Despite increasing rates of adolescent pregnancy and sexually transmitted diseases in rural communities, preventive programs have not been as well funded as those in urban areas. Many rural communities have other pressing needs, and as such, sexual issues of adolescents rarely ever received significant attention. The author of this article presents a description of a sexual learning program that utilizes natural helping networks to build support groups of preteens, adolescents, and their parents. The project known as the Family Life Demonstration Project (FLDP) funded by the Office of Adolescent Pregnancy Programs under the U.S. Department of Health and Human Services, and sponsored by the Rochester Diocese of the Catholic Church, was developed with an emphasis on using natural helpers to work with families. It was designed with the goal of empowering community participants through access to local resources. The project based on a model originated by Mindick (1982), emphasized the ongoing needs of participants, involving them in planning, revisions, and program delivery efforts. The author describes the recruitment of natural helpers identifying local members of the community, scheduling content, focusing workshops and hearing sessions, selecting process, training volunteers, establishing leadership programs and identifying outcomes. The author stresses that the strengths and weaknesses of rural communities must be considered when planning programs based entirely on local participation.

Siebert, F. Mark. "Unmet Legal Needs of the Poor: 'A Plan for Action'?" *Illinois Issues* **16, no. 1 (1990): 10-11.** This article summarizes the Chicago Bar Association and the Illinois State Bar Association sponsored Illinois Legal Needs Study which was released in 1989. Between 1980 and 1987, the period of this study, the poverty rate in Illinois rose from 11% to 15.1% and the rate was higher in rural areas. Although Illinois' program of legal services for the poor, founded in 1866, is the nation's second oldest, there are one million legal problems among Illinois' poor annually, of which 80% are unmet. There are legal programs for the poor but they are complicated to deal with. Large numbers of the poor in Illinois cannot avail themselves of these services because they cannot cope with the legal intricacies, and 43% of them are not aware of the services available. The study identified the unmet legal needs of nine special populations: children, the disabled, AIDS victims, the elderly, incarcerated individuals, the homeless, migrant farmworkers, victims of domestic violence and people with language barriers. The author recommends that the needs of special populations deserve broader attention. The author also suggests implementation of the study's long-term recommendations that include increasing funds and using them more efficiently and extending financial resources to rural areas also, along with urban areas.

Smith, Thomas J., Gary Walker, and Rachel A. Baker. *Youth and The Workplace.* **Philadelphia, PA: Public/Private Ventures, March 1987.** This study was funded by the William T. Grant Foundation Commission on Work, Family and Citizenship. The authors review the current state of "second-chance" programming for youth at risk in the labor market. They present a perspective on current strengths and weaknesses of second-chance efforts, and its position as a strategy for serving the nation's youth. The authors suggest a holistic approach to human development including dropout prevention, middle school interventions together with the effective use of resources and community services to make the second chance programs successful. There are recommendations for further research.

"Stronger Voice for Rural Residents." "Through Survey By WIU Rural Affairs Institute." *Illinois Municipal Review* **68, no. 12 (1989): 23.** The views of rural Illinois residents will be made available through a panel of 2000 residents who have agreed to participate in periodic surveys conducted by the Illinois Institute for Rural Affairs at Western Illinois University. A few Midwestern states, such as Arkansas and Iowa, have similar panels expressing views of farm families through surveys several times a year. These views are applied in state and local decision making. Illinois, however, differs from the others because it included not only farm families but business owners, housewives, local officials, educational leaders and other rural residents. This panel has been composed of randomly selected members drawn from 76 rural Illinois counties. The survey questions will be determined on the basis of current issues being debated in Springfield and Washington, DC and on long term trends affecting rural Illinois. The generated information will be useful for the Institute to monitor conditions in rural Illinois and to advise policymakers on issues relevant for public attention.

Task Force on Long-Term Care Policies. *Report to Congress and the Secretary.* **Washington, DC: U.S. Government Printing Office, 1987.** The need for long-term care is rapidly growing but financing such services appears to be difficult. Congress wished to promote development of a private insurance for long-term care. The Task Force members address many complex issues relating to private financing of long-term care. As required by law, the Task Force examined how to promote the development of a private long-term care insurance, generate consumer confidence, provide direction to states on the appropriateness and sufficiency of consumer protections related to long-term care insurance, and assure reasonable market value. The Task Force presents primarily the recommendations emphasizing both public and private sectors to take immediate steps to encourage expansion of private financing for long-term care services through long-term care insurance. The development of long-term care insurance has made progress but the pace of progress needs to be speeded up. This report is virtually the blueprint of those recommendations. The Task Force members also identify and analyze market factors that may stimulate an active private long-term care insurance market with attractive and affordable insurance providing considerable amount of protection for consumers. The Task Force adopted 41 recommendations providing practical directions for strengthening long-term care financing through private insurance. This report documents all of them with various implications for the system.

Testa, Mark, and Edward Lawlor. *The State of the Child: 1985.* **Chicago: University of Chicago, 1985.** This is an updated version of an earlier report published in 1980. The purpose of this report is to present trends in selected social indicators of children's lives. Its in-depth analysis describes various aspects of children's life: their identity as children; their living conditions; their families; their economic situations; their experience in care away from home, their health, the violence in their lives, their personal and social alienation, their involvement in school and work, and their living environment. The authors also compare the present situation of the children with their situation five years ago and examine the key policy changes that have taken place during this five-year period. Of the major findings, the conditions of children and youth in the society have deteriorated; a higher proportion of children live in poverty. They are likely to live in single-parent families, with poorer welfare support and in insecure conditions. The report provides a factorial foundation and may generate public discussion for appropriate policy decisions.

The Task Force on Older Women in Illinois. *The Status of Older Women in Illinois Today.* **Springfield, IL: The Task Force on Older Women in Illinois, 1986.** This report is the product of a six-month investigation into the status of older women in Illinois. The investigation was conducted by a task force appointed by the Department of Aging. The task force held a total of 23 public hearings, conducted surveys, and interviewed social service providers to gain insight into the conditions faced by elderly women in Illinois. In its investigation, the task force focused on the issues of housing, health care, and economic security needs of older women. As a result of its investigation, the task force discovered that elderly women in Illinois are more likely than elderly men to live longer, live in poverty, and live alone. Furthermore, all of these social factors which contribute to the low status of older women in Illinois are compounded for members of minority groups. The task force also discovered specific needs of elderly women in rural areas. Generally, rural elderly have a high poverty rate. In addition, the task force noted a lack of available social services for the rural elderly and accessibility problems related to transportation and awareness of services. The task force made the following recommendations: promote information and access to present services, increase awareness of older women's issues, assist in increasing available income to low-income older women, expand pension laws to be more beneficial to older women in retirement, diversify housing options for older women in Illinois, develop options for paying for long-term care, act on the need for federal and state medical care programs to be more responsive to older women, and expand the network of protective service throughout Illinois.

Tierney, Kathleen, J., and Barbara Baisden. *Crisis Intervention Programs for Disaster Victims: A Source Book and Manual for Smaller Communities.* **DHHS Publication No. (ADM) 83-675. 1979. Reprint. Rockville, MD: National Institute of Mental Health, 1983.** This monograph has been prepared following the interest in the delivery of emergency mental health services to residents of disaster-stricken communities. It provides knowledge from a theoretical level as well as from a practical level assisting personnel on the state and local levels in planning and implementing disaster-based mental health programs in an organized and effective manner. The authors recommend post-disaster mental health programs, based on systematic research findings. They also take into account the characteristics of the smaller community in perspective.

Transportation Task Force for Individuals with Disabilities. *Report and Recommendations.* **Springfield, IL: Illinois Department of Rehabilitation Services, 1985.** This report was produced by a special task force created to study the problem of access to transportation services for disabled persons. According to the report, there are several federal mandates pertaining to this issue. Generally, this legislation states that the elderly and the handicapped have the same rights as other persons to use mass transit systems and that special efforts should be made in the planning and design of facilities and services to assure accessibility. The report describes the state of existing transportation programs throughout Illinois and then discusses several models for securing access to services by the handicapped. These models include accessible fixed-route bus systems and use of small vehicle services. The report then advances a list of recommendations. At the top of the list is the expansion of rural transportation services. The report also recommends the coordination of paratransit services with social service agencies as a method of sharing funding.

United States Congress. Office of Technology Assessment. *Adolescent Health Insurance Status: Analysis of Trends in Coverage and Preliminary Estimates of the Effects of An Employer Mandate and Medical Expansion on the Uninsured—Background Paper.* **Washington, DC: U.S. Government Printing Office, July 1989.** This background paper (the main report will be released in 1990) addresses the health insurance status of adolescents, aged 10 to 18 years. Approximately 4.6 million adolescents (15%) were without public or private health insurance coverage in 1987. As regards socioeconomic characteristics of uninsured adolescents, most adolescents of this age group live with their parents. Twelve percent of them live with uninsured parents and almost two-thirds of uninsured adolescents live with parents who are also uninsured. The problems of uninsured adolescents are, largely, the problems of uninsured parents. Family income is the most important determining factor of health status for all age groups. The poor are the most likely to be uninsured. Forty-one percent of uninsured adolescents live below the federal poverty level. Adolescents whose parents have little formal education, regardless of income level, are much more likely to be uninsured than adolescents whose parents have had more education. The proportion of adolescents without health insurance increased from 16.7% to 20.8% from 1979 to 1986. The paper indicates that inner-city and rural adolescents are more likely to be uninsured than those who live in suburban areas. It also examines the estimated effects of two proposal to reduce the number of uninsured adolescents: "Employer Mandates" which require employers to offer group health insurance; and an expansion of Medicaid eligibility to adolescents below certain income levels.

United States Department of Agriculture, Food and Nutrition Service. *Summer Food Service Program for Children: Administrative Handbook. (FNS 206).* **Washington, DC: U. S. Government Office, 1982.** The Summer Food Service Program (SFSP) was established to ensure that, during school vacation in summer, children continue to receive the same high quality meals provided during the school year by the National School Lunch and School Breakfast Programs. This program is, primarily, meant for the children in the needy areas. Sponsors of the SFSP must meet certain requirements: only 1) public or private non-profit school food authorities and residential summer camps; and 2) state, local, municipal, or county government organizations may serve as sponsors. This administrative handbook is designed to help the sponsors who participate or plan to participate in the Summer Food Service Program for Children. It contains detailed guidelines to help plan and manage this program as well as the conditions relating to eligibilities.

United States Department of Health and Human Services. *Office of Rural Health Policy. Rural Health Resources Directory.* **Compiled by the National Rural Health Association. Washington, DC: U. S. Government Printing Office, 1989.** This directory includes federal, national and state organizations; offices of rural health; hospital associations; rural health research centers, and many other resources. It includes various listings organized by state within each category. These are indexed by state and type of organization.

United States General Accounting Office. *Homelessness: Homelessness and Runaway Youth Receiving Services at Federally Funded Shelters (GAO/HRD-90-45).* **Washington, DC: United States General Accounting Office, December 1989.** This GAO report has been prepared to be submitted to the Honorable Paul Simon, U.S. Senate. This report analyzes the characteristics of youth who were served by shelters funded under the Runaway and Homeless Youth Act. It presents information on the types of problems these youths experience, services provided by the shelters and the places these youths go after leaving the shelters. This report contains analysis based on data collected by the shelters from October 1985 to June 1988 generated by interviewing the youths served and other knowledgeable persons involved and/or concerned with solving the problem. This analysis also has been supplemented with information from published studies and interviews with shelter personnel and experts on the problems of homeless youth.

United States General Accounting Office. *Report to Congressional Registers: School Dropouts: Survey of Local Programs.* **GAO/HRD87-108). Washington, DC: GPO, July 1987.** This report is the second part of a two-phase review of the nature and extent of the school dropout problem. The first part (School Dropouts: The Extent and Nature of the Problem, GAO/HRD-86-106BR, June 1986) was an overview based on national survey data and the literature. In the second phase, as covered in this report, the Government Accounting Office (GAO) surveyed local school dropout programs. The main purpose was to identify the approaches used to prevent dropping out, and to obtain views of local program administrators about dropout problems and other program components important for effectiveness of the program. The survey findings indicate that the programs targeting poor and minority teenagers have multiple problems and the factors that inhibit program effectiveness include youths' troubled homes and overcrowded classes. Most local administrators indicated that the primary objectives of their programs are to improve youth's academic performance and change their attitude toward school. More than 90 percent of the programs provide basic education and personal counseling, about 75 percent encourage parental involvement and about 70 percent offer assistance in job search efforts and in obtaining social services, such as health care. About 90 percent of the survey program administrators are of the opinion that a caring and committed staff and a non-threatening environment are important factors to make a program effective. GAO makes no recommendations except the need for initiatives to obtain improved data collection.

Walker, Lee. "HUD's Administration of the McKinney Act: A Problem in State-Federal Relations." *Journal of State Government* **63, no. 1 (1990): 15-23.** Because of the decrease in federal domestic programs during most of the 1980s and limited understanding of the U. S. Congress, efforts to deal with the homeless problem have been slowed and disrupted. The author describes the incremental federal progress in some initiatives in dealing with the homeless during the period of early 1980 through 1989; the first congressional hearings on homelessness were held on December 15, 1982. The Stewart B. McKinney Homeless Assistance Act became law in July 1987. The McKinney Act includes nearly 20 different provisions to address the needs of the homeless by providing emergency shelter, food, health care, mental health care, housing, educational programs, job training and other community services. The Act's authorization for FY1987 was $442.7 million. However, The Council of State Government (CSG) survey revealed that respondents from governors' offices in at least 34 states feel the federal programs for the homeless are inadequate for their individual states. Many state officials feel that all levels of government--federal, state and local--should cooperate and collaborate to address the problem of homeless. The CSG survey reaffirmed that direct service providers, such as charitable and religious groups and organizations are the foundation of support to America's homeless. The author also discusses the question of equity of distribution of funds among urban and rural areas. Regardless of rural and urban states, the homeless receive federal assistance primarily through the McKinney Act programs. The author emphasizes that there are needs for more collaboration and information sharing among HUD and state and local governments in administering these programs to reverse the problem.

Waltman, Gretchen H. "New Options in Continuing Education: Professional Development for Rural Social Workers." *Human Services in the Rural Environments* **13, no. 3 (Winter, 1990): 16-20.** Social workers engaged in rural areas are often constrained by limited opportunities to fulfill their professional development needs. The opportunities largely open to them are the meetings and conferences held in metro cities following the conventional routes. Based on this assumption, the author of this article argues that rural social workers can avail of various continuing education programs to satisfy their professional development needs. Creative use of innovative education methods will enable the rural social workers to maintain professional integrity and update them with new developments in the field. The author introduces the idea of using modern electronic technology and related telecommunication systems for self-directed learning activities. The author also identifies various off-campus extension courses, audio- and videotapes; workshops offered in rural areas by professional associations and private organizations and individuals. The new challenge of rural social workers is to update themselves through this continuous flow of innovative and creative educational methods for their professional preparations.

Waltman, Gretchen H. "Social Work Consultation Services in Rural Areas." *Human Services in the Rural Environment* **12, no. 2 (1989): 17-21.** Despite the fact that consultation is an important function of social work practice in a variety of settings such as hospitals, nursing homes, day care centers, home health and social agencies, business and industry, few professional social workers have formal training in consultation. The author of this article presents a review of consultation models as a theoretical base, and describes applications of consultation skills in rural communities. There is a scarcity of professionals in the fields of mental health and human services to deal with a variety of rural issues and problems. The author describes the steps in developing rural consultation services that include making the contact, negotiating the contact, setting goals and objectives, problem solving, action, evaluation and termination. The professionally trained social worker can work as consultant and can make a significant contribution to rural communities which may be also professionally and personally satisfying and rewarding.

Walzer, Norman, and Shawnelle Martin. "Issues and Concerns of Small Town Officials in Illinois." *Illinois Municipal Review* **67, no. 5 (1988): 5-8.** The authors of this article basically report the findings of a mail survey of mayors in Illinois cities with population less than 25,000 in the fall of 1987 conducted by the Illinois Institute of Rural Affairs, in cooperation with the Illinois Municipal League. The issues included in the survey are: population and economic trends, provision of services, and general assessment of conditions facing local officials. Of responses received 299 were usable. This article contains tables using data based on an initial analysis of the survey results. The major findings indicate that economic development is a major concern to local officials. Small communities are undergoing a long- term transformation including better transportation and shifts from manufacturing and commodities to services. The poor farm economy has changed the future of small towns in an ambivalent manner; some will be able to adapt and prosper, and others will experience severe difficulties to survive. The authors point out that location, infrastructure, and other factors will determine the fate of these areas.

Wasson, Daniel L., and Peg Hess. *Foster Parents as Child Welfare Educators: Agencies Should Be Propagating This Invaluable Resource.* **Public Welfare 47, no. 4 (1989): 16-22.** The authors of this article describe foster parents' evolving role and related responsibilities. From personal experience, the authors identify the benefits of including foster parents as equal members of the educational team. They make an attempt to explore potential problems in establishing, preparing, and maintaining educational teams including foster parents as equal partners. The main purpose of the article is to integrate foster parents into child welfare educational programs. Despite many concerns as to the capability and suitability of foster parents as trainers, appropriate leadership can help foster parents contribute to the child welfare service system.

Watson, Angie. "Health Improvement." *Illinois Issues* **16, no. 5 (1990): 8-9.** The Illinois Department of Public Health has designated 67 of the 102 counties of Illinois as rural. About half of them are considered federal health manpower shortage areas. Pregnant women in some of the southern Illinois areas such as Metropolis, Harrisburg, Eldorado and Cairo amy have to drive 50 to 80 miles to avail themselves of the services of the nearest obstetrician for prenatal care. The pregnant women may have to drive the same distance to receive the services of an obstetrician at the time of delivery because the local emergency may not entertain them for the delivery of the babies due to increased malpractice insurance costs. Eighteen counties of southern Illinois lack obstetricians. Costly malpractice insurance has caused many rural hospitals and obstetricians to discontinue delivering babies. The Rural Health Task Force, however, recommends 40 steps to address rural health problems. The major recommendations include federal or state subsidized clinic operations or physician malpractice insurance. They also emphasize the fact that key to any program's success is local involvement regardless of urban or rural areas.

Weber, Bruce, Ron Shaffer, Ron Knutson, and Bob Lovan. *"Building a Vital Rural America."* **Paper presented at the Rural Development Policy Options Workshops, Minneapolis, September 19-21, 1988.** Rural areas, largely, have a narrower economic base with resource specialization, more sparsely populated, lower income, higher poverty, lower quality education, growing aging population. Rural development cannot be achieved in isolation. In order to make rural development viable, economic partnership has to be created for the benefit of rural and urban communities, for improvement of services in the rural areas, and for sustaining the rural resources. These are critically important. Efforts to accomplish these goals involve important trade-offs and choices for policy at the federal, state, and local levels. The authors emphasize the federal role in rural development policy, and not state or local. Federal actions are critical because they shape the economic and social environment within which urban economies develop. Federal decisions have a vital impact on the overall efficiency of the economy and on the distribution of resources and well-being within and between rural and urban areas.

Whitman, David. "Hope for the Homeless." *U.S. News & World Report,* **July, no. 29 (1988): 25-35.** U.S. Conference of Mayors in December, 1987 estimated that 24 out of 26 major cities surveyed would have more homeless in 1988. A national poll released about the same time indicated that the country's voters ranked homelessness and hunger as the second most important issues facing the country. Estimates ranged from 250,000 individuals on a given night to 3 million homeless over the course of a year. Experts did not have a promising antidote. Instead, most government and charitable agencies opened hundreds of shelters and soup kitchens to provide food and beds to these homeless. This, however, was as effective as a "band-aid on a bullet wound." Instead of rehabilitating the homeless, many of the nation's shelters simply warehoused them, failing to provide such needed services as job training, psychiatric counseling and housing assistance. This author described initiatives by liberal and conservative policy experts showing ways to help those living in shelters and on the streets, tailored in the form of long-term support. A non-profit organization known as Community Occupational Readiness and Placement Program (CORPP) worked with the homeless on an eleven-week job training program and used techniques offering "spiritual food." The author concludes that it is time for the government officials, social workers and civic groups to alter the way to help the homeless.

Wilk, Valerie A. *The Occupational Health of Migrant and Seasonal Farmworkers in the United States (second edition).* **Washington, DC: Farmworkers Justice Fund, Inc., 1986.** Health research concerning migrant and seasonal farmworkers in the United States is limited. Much of the data on their existing data is difficult to obtain because it is either unpublished, out-of-print or uncatagorized. However, using some of these resources, the author of this report examines farmworkers' health data gathered over the past 10-15 years. She also describes ongoing research, discusses the laws and proposed legislation and regulations, at state as well as federal levels, that deal with farmworkers' occupational health and safety and recommendations for future research and program priorities. This report is particularly designed to be a resource document. The occupational health problems of the migrant and farmworkers covered in this report are: communicable disease, urinary tract infections/kidney problem, heat stress, pesticide-related illnesses, dermatitis, eye problems, musculoskeletal problems, accidents, noninfectious respiratory diseases, cancer, hazards for children in the fields and hazards for pregnant women or the newborn. The author also covers the other major problems, such as, diabetes, hypertension, nutritional deficiencies and violence as well as alcoholism and drug abuse. The general findings are: farmworkers suffer health problems due to poor sanitation, overcrowded living conditions, drinking water, poor medical treatment, chronic pesticide poisoning, etc. The authors recommend improvement of coordination and communication among agencies at the national, state and local levels that serve farmworkers, funding priority to preventive health, collaborative efforts and comprehensive programs for overall improvement of these conditions.

Wood, Julie E. "Notes from the Field: A Rural Program: Integrating Social Work Administration, Program Planning, and Direct Services." *Human Services in the Rural Environment* **10, no. 2 (1986): 23-24.** The author describes a rural hospice care program developed in Cottage Grove, a town with 8,000 people, having timber as its primary industry, located approximately 25 miles south of Eugene, Oregon. The author of this article, a social worker, was responsible for creating, developing, and administering a social service department attached with the local hospital with 65 beds in acute care, skilled nursing, and intermediate care nursing home beds with 30 long-term care patients aged 84 years average. After identifying the need and community consent for a hospice care program, she made services of many extended families, churches, and other community service organizations available to give the program a tangible shape. With all these services in place and with appropriate training to family members, the patients could access the hospice care program through the acute care hospital system. The hospice program has continued to be a success and served a total of 40 terminally ill patients and approximately 160 family members since it was established. The unique aspects of the program were that the social worker not only provided assessment, direct services and volunteer training, but in addition, performed problem identification and needs assessment, program development, planning, coordination and administration for the hospice program. The author stresses the fact that such programs require cooperation between social service providers and health care providers and a responsible coordinating professional.

Woods, Fred, Peggy Ross, and Dennis Fisher. *"Rural Poverty Policy."* **Paper presented at the Rural Development Policy Options Workshops, Minneapolis, September 19-21, 1988.** The authors examine some of the major poverty issues affecting rural residents of America. Past programs have tended to place more emphasis on attacking the symptoms of poverty rather than the causes. Rural poor tend to be elderly. Rural poor are likely to be white, have one working family member, and have both parents in the home. Some rural communities suffer from persistent poverty. Poverty rates increased sharply beginning in 1980 in both metro and non-metro areas of America. The factors that contribute to the rise in poverty included: (1) the inflation of the late 1970s and early 1980s; (2) the economic downturn of 1980-1982; and (3) the tightening of the welfare eligibility requirements. However, urban poverty rates have declined to some extent since 1983 due to economic recovery. Yet, rural poverty rates remained relatively high. The poverty rate of the rural population was 18% compared with 12% for the urban population. Considering the composition and characteristics of the rural poor, it seems appropriate to have a comprehensive and multidimensional policy. The authors suggest several policy options to deal with the rural poverty condition emphasizing the need for flexibility and intergovernmental cooperation.

York, Glyn Y. "Strategies for Managing the Religious-Based Denial of Rural Clients." *Human Services in the Rural Environment* **13, no.2 (1989): 16-22.** In times of crisis, religion can be a major source of support for clients, particularly in rural areas. Religion often has a positive influence on the clients' ability to resolve stressful life events. However, the social work and family therapy literature has virtually ignored this human aspect that influences the clientele of human service agencies. The author of this article explores the functions of religion for the rural client, defines and clarifies the concept of religion-based denial, and discusses effective strategies for intervention. The author also reviews the literature concerned with the interaction of religion and the health care environment focusing on the rural setting. Religion serves important functions for the rural clients such as socialization, enhancement of self-esteem, relinquishment of responsibility to God, and spiritual guidance. This coping mechanism, religious-based denial, protects the rural client from pain and suffering and provides hope. When this denial extends beyond the function of temporary, however, a pattern of dysfunctional denial may emerge. An intervention which is useful and meaningful to the rural clients who rely on coping mechanisms is probably the use of prayer. The author emphasizes that the role of the clinician is not to challenge the client's religion or to change it, but only to help the client achieve resolution of a problem within the framework of one's chosen religion.

York, Reginald O., Roy T. Denton, and James R. Moran. "Rural and Urban Social Work Practice: Is There a Difference? Social Casework." *The Journal of Contemporary Social Work* **70, no. 4 (1989): 201-9.** The authors of this paper explore, empirically, the differences between urban and rural social work practice. To start with, they discuss the various approaches to define rurality. Although a clear consensus does not exist, the use of a continuum rather than a dichotomy in the conceptualization of rurality has been stressed in the literature. The key variables dealt with are population, population density, and extent of farming. However, as indicated in the literature, social workers in rural areas function in environments that are characterized by traditional life-styles and values, by special service delivery issues, and by a variety of problems. The research question was posed to see how the practice of rural social workers differs from the practice of urban social workers. Rurality was conceived as the basic independent variable, and social work practice was conceptualized as the independent variable. A survey questionnaire was mailed to a random sample of 290 members of the North Carolina Chapter of the National Association of Social Workers. The researchers found that the social workers in rural areas are not, generally, different from their urban counterparts with regard to their emphasis on various social work roles, specialization, use of informal helping networks, and perceptions of the problems with which they deal. The authors suggest that social workers perceive differences between rural and urban communities but are not prepared to practice in ways that encompass these differences. Since most social work schools, located in urban areas, focus their training, predominantly, upon urban practice issues, these schools are not preparing students for appropriate rural practice. The authors recommend appropriate social work programs designed specifically for social workers who expect to practice in rural areas.

Young, Christine L. "Social Services in Rural and Urban Primary Care Projects." *Human Services in the Rural Environment* **13, no. 2 (1989): 30-35.** The purpose of this article is to report the findings of a recent survey of administrators of federally funded primary care projects in the midwestern United States regarding social service needs and activities of their existing primary care health programs. The other purpose is to compare the findings with the geographic location by analysis of rural and urban primary care projects. As defined by the author, rural projects are Standard Metropolitan Statistical Areas (SMSA) and the urban projects are located within an SMSA. The data indicated that although rural projects have social problems and patterns similar to urban projects, they usually have one staff member who is less likely to have a graduate social work education. Rural projects also were three times more likely than urban programs to report no change in staff size for the most recent five year period, while urban projects were likely to increase in size during the same period.

Zemlo, John S., Phillip A. Clark Samuel Lauff, Jr., and Elmer G. Nelson, Jr. "Community Education: A New Generation." *Community Education Journal* **17, no. 1 (Fall 1989): 12-16.** Community education is an evolutionary process. Based on changes in social, political, and economic environments, major shifts in community education theory and practice usually emerge. The authors provide an overview of this evolutionary process and touch on significant developmental stages with their salient characteristics. According to these authors, the first generation of community education may be characterized as a time of theoretical and conceptual development. During this time, a philosophy of education and the concept of community development combined present the framework of community education. The second generation of community education is its second developmental stage. It could be characterized as the community school concept of the 1950s. Recent trends in community education could be recognized as the third generation community education. The authors view the school-community relationship in the light of integrated systems theory. Emphasizing the idea that community problems cannot be separated clearly along organizational lines, neither can their solutions. The challenges for the 21st century will be to realize the full potential of community education based on its philosophy, programs, and services combined with creativity and dedication.

RURAL TRANSPORTATION

Warren Jones
Western Illinois University

The adequacy of the transportation system is a major concern in rural America. The availability, quality, and cost of transportation affects every facet of rural life. Access to health care, goods and services, and product markets are all critically dependent on transportation. Perhaps the most profound changes in transportation services took place following deregulation.

Deregulation has been the clearly dominant theme in transportation research during the past decade. Major concerns have been expressed regarding the impact on access to transportation services in small communities and rural areas. The literature has examined the profound effects deregulation has had on air, rail, and truck transport.

The effect of truck deregulation has been examined for both the truckload and less-than-truckload sectors of the industry. There is broad agreement that deregulation of the truckload sector has improved the competitive environment for users with reductions in rates, greater variety of services, and better service. There has been less agreement regarding the benefits of truck deregulation in the less-than-truckload sector. Surveys of users have indicated improvements in performance, variety of services, and rates. (Williamson, Singer, and Peterson, 1983). The largest and smallest firms have reported the greatest changes in rates with some rates higher in remote areas. Overall, the evidence has been that the majority of small communities have experienced either no change in service or better service as a result of deregulation (Due, 1990). Critics of deregulation point out that deregulation has led to greater concentration in the less-than-truckload sector with many small trucking firms being financially stressed (Rakowski, 1988). Additional research to more clearly delineate the impact on small communities and rural areas will no doubt be seen in the future. Of particular concern will be what appears to be growing concentration in the less-than-truckload sector which may have adverse impacts on service to rural areas.

Deregulation has led to important changes in arranging for transportation services. One of the changes has been the growth of contracting for truck services which offers the possibility of customized service (Bagby, Evans, and Wood, 1982). Most observers have been surprised at the growth in brokerage services as a result of deregulation which is thought to offer small firms the benefits of economies of scope (McMullen, 1987).

Research into the impact of deregulation on small community air service is likely to continue but will be directed more toward planning to provide greater coverage in service (Flynn and Ratick, 1988). The impact on small communities has been very mixed. Research has indicated that non-hubs suffered a loss in seat departures but an increase in the number of departures (Button, 1989). The evolution of the hub and spoke system has reduced costs of service to even non-hubs (Button, 1989). Generally, as regional lines moved out of local markets, locals and commuters moved in. Commuter airlines have grown particularly rapidly since deregulation (Cunnigham and Ekard, 1987). A major difference is between routes subsidized under the federal Essential Air Services program and those that are not. The program has been heavily critiqued with findings that while subsidies have kept rates lower and maintained jet service, they may have resulted in a decrease in flight frequency to small communities (Lawrence and Ekard, 1987). The pattern of effects seems to be reflected in Illinois experience. For non-subsidized operations, the number of passengers showed a modest increase over the period from 1979-1985. However, seven out of the ten cities served had reductions in the number of passengers. Over the same period, the number of passengers served by non-subsidized airline increased by one-third (Due, 1990).

The impact of deregulation on railroads has allowed them to become more innovative and competitive. While there is no clear evidence on rail rates, the added flexibility should have allowed them to lower costs and/or improve the quality of service (Harper and Johnson, 1987). This greater flexibility may lead to more rapid abandonments of marginal trackage.

Rail abandonments and spin-offs have also been of major concern to rural America since deregulation. A portion of this trackage has been taken over by other operators. The Midwest has been the center of much of this activity with 34 companies started and 26 surviving during the period 1970-1984. Nearly one-half the new operations involved shippers (Due, 1984 and 1990). While government has not been a major factor in the continuation of these lines, there is a report on the success of Oklahoma as a broker in the revitalization of part of the old Rock Island Line (Maze, Cook, and Carter, 1984). Research has been done on the transportation cost factors to take into account when there is a line abandonment and which is highly critical of rail management (Gittings and Thomchick, 1987).

Several studies have examined the impacts of rail transport costs on specific goods. The introduction of the jumbo hopper car, which lowered the cost of shipping wheat relative to flour, has led to a shift of milling operations out of rural and into metropolitan areas (Babcock, Cramer, and Nelson, 1985). The potential shift of agricultural production between regions when transportation rates decline has been examined (Dunn, Lee, and Thatch, 1987). Demand for rail transport of grain and soybeans has been estimated (Fitzsimmons, 1981).

The role of government in rail transport has been addressed in some studies. The changes in federal financing of rail operations has shifted the costs to state and local governments (Allen and Vellenga, 1983). The proposal to have state governments purchase rail cars to prevent shortages has been evaluated (Volmers and Thompson, 1982).

Passenger buses have been the main remaining public transportation system moving people in rural America. Passenger bus service, like railroad service, has been in decline for some time. In Illinois prior, to deregulation, an average of 15 town per year lost passenger bus service. Following deregulation, this trend has accelerated to about 70 cities per year. Small charter services have grown rapidly during this period, at the expense of traditional bus lines (Kihl, 1988). The factors that make for profitable bus service have been analyzed (Cervero, 1990). Given the importance of this mode of transit, more research would appear warranted.

Public transportation systems for rural America have and will continue to be a major concern. A number of pieces have addressed this issue. Paratransit has been widely discussed (Transportation Research Board, No. 164, 1976). Particular systems of paratransit have been evaluated (Jeffrey and Wester, 1986). The experiments with minibuses as an alternative to regular buses offers some interesting information (Walters, 1979). Technical aspects of the operation of minibuses versus regular busses has been addressed (Bly and Oldfield, 1986). The coordination of rural transit services has been addressed (Greene, 1987).

Some research has been directed to special groups in rural areas particularly disadvantaged by the lack of public transportation. The rural poor are among the groups adversely affected (Maggied, 1982). Handicapped persons are another group whose welfare is threatened by the lack of adequate transportation (Middendorf, et. al., 1983).

Water-borne transit is especially important to both rural and urban Illinois since waterways are major systems for transporting bulk farm and industrial raw materials and products. The Tennessee-Tombigbee Waterway, once seen as a major competitor to the Mississippi, has been critiqued (Carroll, 1982). The general conditions in the barge industry have been analyzed (Diehl and Phillip, 1985). The attempted innovation in pricing through the Merchants Exchange of St. Louis has been discussed (Gladwell, 1980). Given the fact that Illinois is bordered by two of the major national waterways, the Mississippi and Ohio Rivers, and is bisected by the Illinois River waterway, research in this area would seem of particular interest.

A number of pieces have dealt with the planning and evaluation of transportation networks, either of a total system or of a particular mode of transportation. Some have presented models for developing entire systems of transportation based on both efficiency and equity criteria (Anderstig and Mattson, 1989). The adequacy of coverage of service to rural areas has been examined. Eighty to ninety percent of Illinois counties are regarded as being covered by transportation services

(Greene, 1987). Highway systems have received major attention. Simulation models for the routine revaluation for changes in road systems have been proposed (Williams and Moore, 1990). The benefits to the trucking industry of the interstate system have been found to amount to as much as one-half the cost of the system (Keeler and Ying, 1988). Interest in the role of the private sector has been developing and private innovations have been presented and discussed (Weicher, 1988). Research efforts along these lines are likely to continue. Given the coverage of the highway system and the importance of the automobile, this system in particular is likely to receive a great deal of attention.

The role of transportation in economic development has been examined and will be of continuing interest. One of the major concerns of rural residents is that the inadequacy of transportation services limits their potential for economic growth. A general model of the impact of transport costs on the regional distribution of agricultural production has been presented (Dunn, Lee, and Thatch, 1987). The impact on interstates on economic development has been examined which suggests that, with some exceptions, they have not had substantial impacts on nonmetropolitan development (Miller, 1979).

A major portion of highway travel is for shipping. Models have been suggested that would allow transportation planners to assess the impacts of changes in the transportation system on retail sales (Barnard, 1987). The socioeconomic factors that generate shopping trips have been investigated (Vickerman and Barmby, 1984). Research in this area could be important for developing models of travel demand that would be of assistance to planners.

Low-volume roads are the dominate highway system in remoter regions of rural America. One study has suggested the need for more innovative approaches to the construction of these roads (Starkie, 1982). Another piece, with extensive information regarding Illinois' low-volume road system, has suggested that the smaller political units providing these services may be unable to take advantage of economic efficiencies (Deller, Chicoine, and Walzer, 1988). While data may be difficult to come by, the very importance of the system to rural access to markets would argue for more research in this area.

The interaction of telecommunication and transportation systems has been examined and will be of growing importance as new telecommunications innovations are developed. The extent to which telecommunication may substitute for, or alter the pattern of, travel has been addressed (Salomon, 1985). Recent research does not see telecommunications as leading to major shifts in economic activity from metropolitan to nonmetropolitan areas (Giaoutzi and Nijkamp, 1989).

The quality of transportation services and infrastructure is critical to rural America. It will no doubt continue to attract the attention of researchers. Out of this effort will come solutions that will be of benefit to rural residents.

All of the material annotated is available either directly through Illinois state university libraries or their interlibrary loan system. The efforts of Booi Themeli in collecting and verifying the availability of the material annotated is appreciated.

Adams, Sylvia., and William Heidelmark. "State and Local Taxation of Railroads and Other Transportation Companies: A Survey of Statutory Treatment." *Transportation Journal* **23 (Summer 1984): 50-7.** A summary discusses the differences in relative treatment under tax laws of various types of transportation industries.

Allen, Benjamin J., and David B. Vellenga. "Public Financing of Railroads Under the New Federalism: The Progress and Problems of Selected State Programs." *Transportation Journal* **23 (Winter 1983): 5-19.** This is a review of the history of federal assistance to local rail systems, of the changes in the federal assistance programs, and a discussion of the impacts in seven states. Over the decade 1971-81, only $379.8 million out of a total of $13.6 billion went to Local Rail Service Assistance. By far the largest federal assistance was directed to Amtrak, Conrail, and the Northeast Corridor Project. The paper argues that the shift in funding to the state and local level has been sensible based on the small national benefits of small local lines. Argues for greater cooperation among states in coordinating their state rail policies.

Allman, William P. "Determining Barge and Towboat Requirements for Simple Waterway Movements." *Transportation Journal* **22 (Fall 1982): 75-78.**

Alperovich, Gershon., and Eliakim Katz. "Transport Rate Uncertainty and the Optimal Location of the Firm." *Journal of Regional Science* **23 (August 1983): 389-96.** This is a technical paper that offers an extension to conventional location theory which assumes constant rates of transport. Both one and two dimensional cases of the location problem are considered. The results indicate that uncertainty in transport rates may lead to different conclusions regarding optimal location of the firm. While not proven, under certain assumptions regarding the firm's attitude toward risk, that the firm will be drawn toward markets whose transport rates are relatively more uncertain. For example, greater uncertainty regarding transport cost of output might, under certain conditions, favor production locations nearer to metropolitan areas.

Anderstig, Christer., and Lars-Goran Mattson. "Interregional Allocation Models of Infrastructure Investments." *Annals of Regional Science* **23 (December 1989): 287-98.** This is a technical piece that presents two basic models for the allocation of infrastructure expenditures taking into account efficiency and equity criteria. The applications are for Sweden and the models are in the context of a small country but the basic technique, if data is available, is applicable to smaller regions. The infrastructure taken into account are research and development capacity, transportation capacity (air, road, and rail), interregional accessibility, distance to metropolitan region, private regional capital, and land. A critical limitation to the methodology is the necessity of having information regarding the production function.

Anker, William., and William E. Bivens, III. *Getting to Work: Northeast Perspectives on Rural Public Transportation and Economic Development.* **Washington, DC: Coalition of Northeastern Governors, 1983.** Primarily applicable to the states of the Northeast. There are, however, good overviews of federal programs to assist rural transportation systems. In particular, under Section 18, the Nonurbanized Public Transport amendment to the Urban Mass Transportation Act, a surprisingly few Illinois counties receive aid. A section concerning rural public transportation and economic development discusses a number of agencies affecting both development and transportation in rural areas.

Armstrong-Wright, Alan., and Sebastian Thiriez. *Bus Services: Reducing Costs and Raising Standards.* **Urban Transport Series, World Bank Technical Paper, no. 68. Washington, DC: The World Bank, 1987.** This is an international study of bus service quality and costs. Ownership was found to be an important characteristic with private operations less costly and with as good or better service as public operations. There is a discussion of the varieties of vehicles and services offered. There is a short chapter of the role and responsibility of government. A chapter of performance evaluation and service specifies and discusses the factors that should be taken into account. A series of case studies in the appendix discusses some interesting international operations with some unique problems.

Babcock, Michael W., Gail L. Cramer, and William A. Nelson. "The Impact of Transportation Rates on the Location of the Wheat Flour Milling Industry." *Agribusiness* **1 (Spring 1985): 61-71.** Two linear programming models, one based on central place theory and the other based on least cost theory, are used to explore the influence of rail cost on the locatio of the wheat milling industry. The industry has been shifting toward metropolitan areas in order to locate nearer the flour usage points. Part of the reason has been the introduction of the jumbo hopper car which reduced the cost of shipping wheat relative to flour. Since bakeries attempt to cost minimize with respect to inventory, they tend to use boxcars. Both insurance and rail loading costs are lower for wheat than for flour because of the use of boxcars in shipping flour. Since flour is not generally shipped in over boxcar bulk, there was little opportunity to use water transport as is the case with wheat. The empirical results support the conclusion that wheat milling operation s are leaving wheat producing rural areas and going to metropolitan consuming areas. The policy conclusion is that economic development organizations recognize the dominance of the economic forces at work and promote other industries for which there is a greater probability of success.

Bagby, John W., James R. Evans, and Wallace R. Wood. "Contracting for Transportation." *Transportation Journal* **22 (Winter 1982): 63-73.** With the transportation deregulation of 1978, contract tariffs have become available to railroad and other shippers as a substitute for common carriers. Common carriers offer the same service to all customers while a contract can be tailored to the individual needs of the customer, whether large or small. The common carrier service is on demand. On the other hand, the contract can be tailored for a number of types of service for various rates. There are discussions of legal remedies to customers under implicit contract law (common carriers) and explicit contract law (contract). An economic model is developed to illustrate the comparison of contract alternatives.

Barnard, P. O. "Modelling Shopping Destination Choice Behavior Using The Basic Multinomial Logit Model and Some of Its Extensions." *Transport Reviews* **7 (January/March 1987): 17-51.** This is a review article of multinomial logit models as applied to the choice of shopping destination. One of the objective of destination modelling is to provide a general guide to transport policy. The basic multinomial logit model is introduced and described along with a table listing major empirical applications of the model to the destination choice. In addition to an extensive discussion of specific models there is also a section on integrating shopping expenditure and shopping destination models. The information would allow transport planners to assess the impacts of their activities on retail sales. Areas needing particular research attention are noted. The paper clearly suggests that one new direction for transport planners is to explore the multinomial logit models.

Beilock, Richard., and James Freeman. "Deregulated Motor Carrier Service to Small Communities." *Transportation Journal* **23 (Summer 1984): 71-82.** This paper addresses the concern that deregulation has led to higher rates and lower quality of service to rural and small communities and lower rates to metropolitan areas. There is an overview of past regulation and of the recent deregulation. The focus of the study is on Florida and Arizona, among the first states to deregulate their motor carrier industry. There is a table summarizing the results of earlier studies on deregulation. It is the conclusion of the paper that the evidence clearly shows that deregulation has had either no impact on rates or quality of service to rural and small communities or has raised quality and reduced rates. From a review of other studies they not remarkable agreement in results and conclude that deregulation has had a the worst a neutral effect on rural and small communities. They note that in the longer run there will be important changes in the structure of the transportation sector whose impacts on rural and small communities should be the subject of future research.

Berechman, Joseph. "A General Framework for the Integration of a Land-Use Model with a Transportation Model Component." *Journal of Regional Science* **20 (February 1980): 51-69.** A technical paper which sets forth a land use model, a transportation model, and deriving an integrated model. The resulting simulation model links the land use and transportation models so that the output of one is an input to the other. This allows for simulations of alternative scenarios to be used in planning both land use and transportation patterns. The particular activities allocated between regions are population and employment. Among the conclusions are that employment and zonal attractions have more of an impact on the distribution of activity than do changes in the transportation system. They note that further efforts should be devoted to specifications that allow for activity generation as a function of travel conditions, allow for travel demand functions, and differences in locational behavior of activities.

Bly, P. H., and R. H. Oldfield. "Competition Between Minibuses and Regular Bus Services." *Journal of Transport Economics and Policy* **20 (January 1986): 47-68.** While addressing the issue of competitiveness of minibuses with regular buses for London, the basic economic considerations and methodology are applicable to a rural setting. The economic consideration is that operating costs do not increase as rapidly as does the number of seats in a bus. Three elements of cost are considered: operating costs, staff wages, and costs associated with meeting peak service demands. The conclusions are directed to the situation in which there are both minibuses and large buses operating which is not relevant to the rural setting.

Button, Kenneth. "The Deregulation of U.S. Interstate Aviation: An Assessment of the Causes and Consequences (Part 1)." *Transport Reviews* **9 (April/June 1989): 99-118.** This article reviews the rationale for airline deregulation and discusses the short-term consequences. Notes the roles of empirical studies that nearly all agreed that regulation was inefficient and the theory of perfectly contestable markets had some role in the deregulation. The impact of deregulation in the first year, 1978-79, was a substantial increase in the number of non-stop markets served. Local service carriers exited 87 such markets but entered 145 others for a net gain of 68. Fears that small communities would lose service were not borne out in the aggregate. Data for the period 1978-84 show that small hubs experienced a 19.1 percent increase in departures (7.9 in seats) and non hubs experienced a 9.3 percent increase in departures. However, non hubs suffered a 9.7 percent loss in seat departures. Non hubs were more than compensated by the loss of service by the increase in commuter flights, at least in terms of the number of departures.

Button, Kenneth. "The Deregulation of U.S. Interstate Aviation: An Assessment of Causes and Consequences (Part 2): *Transport Reviews* **9 (July/September 1989): 189-215.** The longer term impacts of airline deregulation are discussed. One effect of deregulation has been the growth of the hub and spoke system which reduces airline costs. The CAB tended to favor a non-stop linear route. In a comparison of real costs per mile, the period 1979 to 1985 saw these costs decline for all types of market connection patterns. Even non-hub to non-hub costs declined over the period. There is little other information which might be related directly to non-metropolitan areas.

Campbell, Thomas C., and Amy Dalton. "Coal Exports: A Problem in Energy and Transportation." *Transportation Journal* **22 (Spring 1983): 34-46.** A discussion of the coal export system to include the capacities of foreign ports. There is a discussion of metallurgical and steam coal. They are essentially different export products because of historical practices which require a blending of coal before loading into ships. There are about 500 grades of blended coal which require combining coal from various mines or trains and is relatively costly in terms of the required coordination and required loading sequences. The major increase in demand for steam coal has been from European countries which have not traditionally been customers for U.S. coal. This increase in demand has been for steam coal and has led to a very rapid increase in demand for this type of coal. If export demand continues to grow there is a necessity of upgrading the capacity of U.S. ports and European discharge ports. Current planned expansions, however, appear to be excessive. A problem is that facilities have been designed for metallurgical coal not the steam coal which is now a major export. An estimate of the demand for U.S. coal indicates that higher coal prices depress and higher oil prices increase the demand for U.S. coal exports. Japanese demand has not been a significant factor in the period 1953-80. Failure to deal with the capacities problem will lead to a loss of export markets but it is pointed out that the uncertainty resulting from low growth rates makes procedural modifications in the transport and loading equipment with only modest investment in new facilities the desirable course of action.

Carroll, Joseph L. "Tennessee-Tombigbee Waterway Revisited." *Transportation Journal* **22 (Winter 1982): 5-20.** Extremely critical of the Tenn-Tom waterway, arguing that the best course of action is to stop construction as still be the most cost-effective decision. A summary of background reports which were favorable to the project are reviewed. One major justification was the coal traffic from the mines of southern Illinois and western Kentucky that were supposed to use the Tenn-Tom as a lower cost alternative to the MIssissippi. Comparing the forecasts of production with actual production shows that the forecasts overestimated coal production in the region. A significant factor has been a declining demand for Illinois Basin coal as a utility coal which has been especially dramatic for the Southeastern states which were supposed to be the major users. A final comparison of total benefits and costs as well as remaining benefits and costs is very unfavorable to the Tenn-Tom. Cost estimates do not vary from Corp estimates, but Average annual benefits are less than half the Corps estimates. The benefit-cost ratio estimate by the Corps is .68, which would imply costs exceed benefits for the project as a whole, while the revised estimates of the benefit-cost ratio are .27 and .21. In terms of the argument for finishing the project, the revised estimates both show that the additional costs greatly exceed the additional benefits. There is no discussion of the economic development potential but the low level of usage for coal transport indicate that it has not had the positive impact on southern Illinois coal fields that had been expected.

Cervero, Robert. "Profiling Profitable Bus Routes." *Transportation Quarterly* **44 (April 1990): 183-201.** An investigation into the factors that give rise to profitable bus routes. The analysis is in an urban setting but some findings may be translatable. Seven bus routes that recover more than their costs are separately examined in case study fashion. Several characteristics are shared by all of the profitable lines. Low median income and high shares of minority residents, which indicate public transport dependency, were served by all routes. Population and employment densities were high. Short average trip lengths, two to three miles, contributed to high seat turnover which yielded higher revenues. All successful routes operated at high capacity. While noting some problems, the study suggests flat fairs should be replaced by variable fares. Expresses doubt that these profitable routes will be contracted out to private operators as have some of the low density suburban routes.

Chang, Semoon., and Phillip R. Forbus. "Tenn-Tom Versus the Mississippi River." *Transportation Journal* **25 (Summer 1986): 47-54.** This is a comparative analysis of the Tenn-Tom waterway and the Mississippi River. The Tenn-Tom is a competitor with the Mississippi for barge traffic. The Tenn-Tom route is shorter. This study attempts to determine if this has been reflected in lower barge rates, the main argument for the construction of the waterway. There is a discussion of pro and con economic arguments for the Tenn-Tom. The two benefits of the Tenn-Tom are reduced transportation costs and, as a major transportation corridor, may spur economic development along its route. The survey of transportation costs included coal and bulk alloys, grain, fabricated materials, packaged materials, and petroleum. Out of 256 questionnaires, only 13 barge companies returned questionnaires. There were follow on interviews with barge operators. From the survey, it was determined that the Tenn-Tom is more costly than the Mississippi. The shorter distance is offset by the number of locks and dams and the narrowness of the channel. Barge companies do not consider the Tenn-Tom an alternative to the Mississippi. Failure of the waterway to match predicted usage was because of the reduced international demand for U.S. coal and grain and the assumption, not realized in practice, that the Tenn-Tom would lower shipping costs. There is no discussion of the regional economic development impact of the Tenn-Tom.

Chicoine, David L., and Norman Walzer. *Financing Rural Roads and Bridges in the Midwest.* **Washington, DC: Department of Agriculture, 1984.** This study examines the condition and financing patterns for roads and bridges administered by townships in Illinois, Minnesota, Ohio, and Wisconsin based on l982 fiscal data and a mail survey conducted in l983. The information is based on responses by more than 3,000 township highway officials in the four states. Additional information was gathered from a survey of agribusiness users of the township roads and farmers served by these roads. Throughout the report the perceptions of these three groups are examined. The township administered roads in Illinois are not in especially good condition as perceived by local officials, farmers, or agribusiness users. Based on the survey information, as many as one township mile in five (20 percent) can be classified as needing major repair. This figure was reported by all three groups surveyed. Township officials in Illinois reported that 20 percent of the roads had less than a barely adequate surface. At the other extreme, however, 68.9 percent of the road mileage was reported as having better than a barely adequate surface. The report presents additional information comparing Illinois townships with those in other states. The costs to improve the township road systems in Illinois are substantial. Township officials estimated that, in 1983, an average of $7,271 per mile was needed to improve the roads. This estimate was based on all township mileage, assuming that some could be closed and that some needed no repair. With a total of 68,585 miles of township roads in Illinois, the combined cost of improvements was $498.7 million in 1983. The cost in 1986, of course, would be much higher. Bridges are in similar condition. Township officials estimated that it would cost an average of $35,045 per bridge to bring them to acceptable condition. With a total of 11,739 bridges under county administration in Illinois, the cost was $411.4 million. Added to the costs to upgrade township roads, the combined 1983 cost was $910.1 million for the township system only. The report also examines possible remedies for the township infrastructure problems. A surprising finding is the indication by farmers that some roads and bridges could be closed without serious inconvenience to users. This finding was not reported by a majority of users, however. Likewise, farmers indicated a willingness to pay additional to have the roads and bridges improved. The reported willingness to pay was significant in light of the average township expenditures. A wealth of information is provided about financial management, attitudes toward cutback strategies that could be implemented, characteristics of township highway officials, conditions of roads and bridges, and related topics. A section on alternative strategies for financing infrastructure improvements and attitudes of township officials and users is provided.

Chicoine, David L., and Norman Walzer. *Financing Local Infrastructure in Nonmetropolitan Areas.* **New York, NY: Praeger Publishers Inc., 1986.** This book is an outgrowth of a national conference on financing rural transportation systems in the Midwest. Participants in the conference were drawn from federal and state government agencies, universities, and professional trade associations. The discussions begin with a section on defining the rural infrastructure problems with some thought to causes. Included are the possibilities of management limitations and financial inadequacies. The discussion continues with empirical studies of rural road and bridge condition and financing in the Midwest. Population trends away from rural areas, changes in demand for transportation systems, and shift in agriculture are all considered. Two chapters are devoted to rural road changes in Iowa counties and in townships in Midwestern states. The second major section involves an examination of alternative pavement strategies for roads in rural areas. A methodology for evaluating alternatives is outlined with a discussion of the problems involved with each. A discussion of state and federal management assistance and other programs which have been implemented throughout the U.S. is provided. The third section of the book examines approaches by local government to make rural road and bridge provision more cost-effective. A program of circuit riders in New York is discussed in detail. The agricultural access study conducted in Pennsylvania is presented with a review of potential adaptations to other areas. One chapter is devoted to cost saving techniques used by local governments in pavement management and other tasks. The final section examines the future for rural highway finance. State and local government innovations are described comparing financing in Illinois with many other states. New revenue sources are considered with some discussion of their potential and limitations. The discussion ends with a broad discussion of the future issues that must be faced by managers of rural transportation systems.

Cunningham, Lawrence F., and E. Woodrow Eckard. "U.S. Small Community Air Service Subsidies: Essential or Superfluous?" *Journal of Transport Economics and Policy* **21 (September 1987): 255-77.** The purpose of this paper is a systematic evaluation of the use of subsidies for air service to small communities. There is an overview of subsidy programs and regulation. A section on commuter airlines briefly discusses their rapid growth following deregulation. There is a discussion of prior studies on the impact of airline deregulation, noting that they do not specifically address small community service and do not examine the question of subsidized versus unsubsidized services. The study focuses on U.S. cities with populations less than 25,000 which have regularly scheduled air service as indicated in the *Official Airline Guide*. The study looks at the quantity, price, and quality of service. The quantity dimension was measured by number of arrivals per week per 100,000 population. Quality measures included: arrivals by jet aircraft, number of origins reachable without a change of planes, and number of origins with non-stop service. Six hypotheses with regard to the impact of subsidies on air transport characteristics were tested. The conclusions are that subsidies did not increase flight frequencies and may have actually decreased flight frequencies. HOwever, the subsidies do appear to have reduced fares relative to unsubsidized air transport. The subsidies seem to have increased jet service and the number of origins. There appears to be no effect on non stop origins. The conclusions with regard to subsidized air service for small communities is negative. by arrivals per 100,000 population. Fares increased by a significant amount. Jet service to these cities also declined significantly. Those cities that lost subsidies showed a significant increase in arrivals per 100,000 population. Fares increased and jet service declined as was the case with subsidized services.

Cunnigham, Lawrence F., Myron B. Slovin, Wallace R. Wood, and Janis Zaima. "Systematic Risk in the Deregulated Airline Industry." *Journal of Transport Economics and Policy* **22 (September 1988): 345-353.** This is an analysis of the change in risk associated with airline deregulation. A reduction in risk reduces the rate of return required by investors and creates greater opportunities for investment in air service. Two alternative hypotheses are advanced regarding the impact of deregulation on systematic risk in the airline industry. An ordinary least squares regression on the daily rate of return on stocks (equity) for eight trunk carriers and seven regional airlines. Four sets of regressions are made, one to cover the transition period of deregulation. The coefficients on the daily rates of return are reported for each of the airlines by time period. During the transition period, the coefficients rose significantly to indicate greater systematic risk in the industry. However, in the most recent period, the coefficients and the level of systematic risk have decreased. The systematic risk is greater for main as opposed to regional carriers, although deregulation has reduced the risk differential between the two classes of carriers. The main reduction in systematic risk has been for the large carriers. The results suggest, that while systematic risk for regional airlines has not increased, they may be relatively less attractive to investors than major airlines because of the change in relative risks. This change in relative risk, reflected in rates of return on equity would suggest that investment opportunities have grown mostly for the larger carriers.

Daughety, Andrew F., and Forrest D. Nelson. "An Econometric Analysis of Changes in the Cost and Production Structure of the Trucking Industry, 1953-82." *The Review of Economics and Statistics* **70 (February 1988): 67-75.** This is a technical piece estimating cost functions for the time periods 1953-58, 1968, 1978, and 1982. The cost function for 1982 reflects the effects of deregulation which resulted from the Motor Carrier Act of 1980. The pattern of changes in the coefficients of the cost function parallel the changes in the regulatory environment. The coefficients in the 1950s and for 1982 are similar and very different from those of 1968 and 1978. A simulation of deregulation in the 1950s indicates that in the 1950s regulation inflated costs for all carriers but especially for small carriers.

Deller, Steven C., David L. Chicoine, and Norman Walzer. "Economies of Size and Scope in Rural Low-Volume Roads." *The Review of Economics and Statistics* **70 (August 1988): 459-465.** Addresses the issue of the optimal size of units providing rural roads. The observations for the empirical estimates are from mail surveys of township road officials in Illinois, Ohio, MInnesota, and Wisconsin. The form of the cost function is the multiproduct translog function. This allows for the fact that rural roads are not homogeneous but have various types of surface. The results indicate substantial size economies for average townships. If two average townships are combined and maintaining service levels, costs decline about 50 percent. Other estimates suggest that cost savings from consolidation are available over the entire range of size of rural road systems. To determine the effect of having jurisdictions specialize in one type of road surface or some combination of road surface, the measure of economics of scope was examined. There was no evidence that specialization in the type of road would provide any cost savings. It is suggested that this is because there are inputs that are the same for different types of roads.

Diehl, Neil N., and Craig E. Philip. "Critical Issues Facing the U.S. Barge Industry in the 1980's." *Transportation Journal* **25 (Fall 1985): 5-11.** Discusses the cause of the financial crisis in the barge industry and the industry responses. The causes of the decline in traffic and revenue are declining markets, new types of barge operations, and an obsolete infrastructure. Overcapacity grew out of the large increases in the demand for U.S. grain and coal during the late 1970's which caused a doubling of hopper barges from 1973 to 1982. Also, tax laws were very favorable to this expansion of barge capacity. Declines in exports and increases in imports mean that there is less high margin traffic and more low margin backhaul traffic. Also, utilities, grain companies, barge management companies, and railroads have increasingly begun to operate their own barges. Finally, many of the locks and dams are obsolete or in deteriorated condition and need replacement or renovation. Recent proposals to fund these improvements with user charges have led to estimates that user charges would have to increase tenfold.

Due, John F., Benjamin L. Allen, Mary R. Kihl, and Michael Crum. *Transportation Service to Small Rural Communities: Effects of Deregulation* **Ames, IA: Iowa State University Press, 1990.** This study examines the quantity, quality, and cost of transport services to small communities. Separate discussions of rail, truck, bus, and air transport. There is a final chapter on strategies for adequate transport services to small communities. Rail and bus transport appear to be following long-term historical trends in the exit from rural service. A substantial majority of small communities report neutral or favorable changes as a result of truck deregulation. Some evidence that truck rates are higher for remote areas. The results for air service are mixed. While the total level of service has risen to small communities, there are some which have experienced decreases and losses of service. There is a federal program called Essential Air Services which provides subsidized service to small communities. For these cities, there was a 33 percent decline in passengers in the period 1979 to 1985. On the other hand, for non-subsidized Illinois air operations, there was a total 6.1 percent increase over the same period. However, seven out of ten of communities saw a decrease in the number of passengers. There are concise discussions of characteristics and issues for all types of transportation.

Due, John F. "New Railroad Companies Formed to Take Over Abandoned or Spun-Off Lines." *Transportation Journal* **24 (Fall 1984): 30-43.** Discusses the growth since 1971 of new railroad companies formed to operate abandoned or spun-off routes. This study summarizes the events and examines the major factors that contribute to a successful operation. This activity has been particularly heavy in Illinois with additional activity expected at the time of the article. New and prospective companies operate or intend to operate a total of 8,441 miles of track. The Midwest region continues to have by far the greatest mileage of trackage operated by these new companies. In the Midwest, a total of 34 companies were started from 1970 to 1984 with 8 ceasing operation. Three types of owners initiated the new lines. In nearly one-half the cases, shippers initiated or were dominant in the formation of new lines. The remaining lines were initiated by individuals. Forty-five lines started this way with nearly two-thirds of them not residing in the local area. Three promoters operated several short lines, the largest system of this type being Kyle Railways which has thirteen short haul lines and over a decades worth of success with some of them. Craig Burroughs, former Director of Research for Rock Island Line is another major system operator. Only five of the initiators have been local governments. The average price per mile of track has been $22,514 in the Midwest. The major cause of failure of the lines has been inadequate traffic but other important factors are also discussed. The factors in success are experienced management, support of shippers, good quality track, good traffic, access to more than one other connecting rail line, adequate capital, and state or local government assistance. Length of line does not appear to be a factor. Major risks are loss of a major shipper, truck competition, physical hazards, loss of a sole connecting line, cancellation of a joint rate agreement or addition of a surcharge by connecting rail company.

Dunn, James W., David R. Lee, and Daymon W. Thatch. "The Effect of Transportation Rates on Interregional Competition in Agriculture: A General Case." *Agribusiness* **3 (Winter 1987): 393-402.** An examination of the effects of changes in transportation prices on consumers and farmers in importing and exporting regions and suppliers of transportation services. Numerical computations of the model under alternative assumptions are employed. The results vary depending upon the elasticity of demand, elasticity of supply, the relative size of markets, the dependency of the importing region, and the relative sizes of prices and costs. Own price elasticity of demand and own price elasticity of supply in the exporting region are not significant in explaining the impacts. The own price elasticity of supply in the importing region is important since they confront the largest price changes. Farmers and transportation suppliers are most effected with consumers not greatly affected. The results imply considerable sensitivity to declines in transportation costs in importing regions and reallocations of farming activity between regions.

Ellison, Anthony P. "The Structural Change of the Airline Industry Following Deregulation." *Transportation JOurnal* **21 (Spring 1982): 58-69.** A discussion of the deregulation process and the impacts. There is a summary of changes in the regulations affecting airline companies. The rise in traffic and load factors was accompanies by drops in price and quality of service. One effect has been increased specialization. Carriers have moved from mixed systems operating flights of all types to concentration on only one type of route. While the trunk carriers have encountered difficulty, the short and medium haul carriers have done well. Carriers offering low cost, no-frill service have seen their share of the market grow.

Evans, Andrew. "Equalizing Grants for Public Transport Subsidy." *Journal of Transport Economics and Policy* **19 (May 1985): 105-38.**

Faulks, Rex W. *Bus and Coach Operation.* **5th ed. London: Butterworths, 1987.** This is a practitioner's manual written for an international audience. Treats all aspects of the operation of passenger buses to include supporting infrastructure, planning, scheduling, collection of fares, operation, and finance/costing. Short discussions of planning for rural community service and for mini-buses. As the European transit system is far more developed than the U.S. it may provide some especially useful insights.

Felton, John Richard. "The Impact of Rate Regulation Upon ICC-Regulated Truck Back Hauls." *Journal of Transport Economics and Policy* **15 (September 1981): 253-67.** Estimates an annual potential welfare gain of $182 million from deregulation of back-haul rates. There is a discussion of the economics of back haul rates. The structure of the industry, limited economies of scale, low barriers to entry, mobility of operations, and little product differentiation suggest competitive pricing without regulation. A discussion of the back haul markets in Great Britain and Australia provides insight into an reduced regulation environment. Without regulation, more back hauls would result and the rates for back hauls would decline.

Fielding, Gordon J. *Managing Public Transit Strategically: A Comprehensive Approach to Strengthening and Monitoring Performance.* **San Francisco: Jossey-Bass Inc., 1987.** A transit management guide with emphasis on buses. Considers all major aspect of managing a bus transit system including measuring performance, budgeting/financing,, planning, marketing, and community relations.

Fitzsimmons, E.L. "A Statistical Sketch of the Demand for Rail Transport of Grain and Soybeans." *Transportation Journal* **20 (Spring 1981): 59-65.** Estimates demand for rail transport using two basic models and examines the elasticities of demand. The dependent variable is rail volume of grains while the independent variables are quantity of grain, rail rate, and barge rate. Income, own-price, and cross price elasticities are estimated. Results are as expected. Rail demand is inelastic with respect to fares and the cross elasticity between rail and barge rates also is also inelastic.

Flynn, John., and Samuel Ratick. "A Multiobjective Hierarchical Covering Model for the Essential Air Services Program." *Transportation Science* **22 (May 1988): 139-47.** A development of a mathematical programming model to evaluate options under the Essential Air Service (EAS) program which is designed to guarantee air service to small communities under deregulation. The reasons for service deficiency are: proximity of cities with better service, equipment which passengers do not favor, high fares, poor schedules, inadequate subsidies, poor choice of hubs, and ineligibility of some communities. The constraints incorporated into the model are on level of service, on coverage, and on stopovers. The model objectives are to maximize covered population weighted by service levels and to minimize the total system cost. The model is applied to North and South Dakota. Several possible solutions are presented and discussed. Geographical equity is not taken into account by the EAS program but could be taken into account in the model.

Garland, Chow. "Studies of Intrastate Regulation Trucking: A Critique." *Transportation Journal* **19 (Summer 1980): 23-32.** This paper provides a review of past studies of intrastate trucking regulations and an estimate of a statistical model to estimate the ratio of unit price of truck services between regulatory structures. The conclusions with regard to comparisons between rates between regulated regimes may be relevant to comparisons with regulated versus deregulated trucking services. Criticizes past comparative studies across states for not taking into account different service levels, demand factors, and costs which confuses the effort to sort out the costs of regulation. For the interstate and intrastate comparisons, notes that cannot use an unregulated rate structure for comparisons, must be specific in regard to characteristics of the rate structure, and cannot compare overall rates between markets.

Ghobrial, Atef., and Tenpao Lee. "Comparing Trunk and Local Service Line Strategies and Performance." *Transportation Quarterly* **44 (April 1990): 267-82.** This paper discusses the impact of deregulation, noting that the process of adjustment is still going on even after the dramatic changes of the past ten years. The examination of trends in real average fare per mile show that they have been declining for both major (trunk) and local services. Statistical test confirm that rates are significantly lower for both types of carriers following deregulation. However, since rates of change in yields have not changed is suggested that part of this is the general; historical trend toward lower fares. Under deregulation, locals have expanded their long haul traffic more than have the majors. Also, deregulation has been associated with locals moving to larger equipment faster than the majors. Locals have decreased the number of departures. Three factors are thought to account for this change. First, major airline abandonment of some routes have reduced competition for locals and resulted in a growth in size of equipment, locals have entered into more long haul markets, and hubbing has also allowed locals to use larger planes and reducing frequency competition. Significantly, total seats remained almost unchanged for locals. For both majors and locals, profitability declined following deregulation with the decline being less for locals. In terms of market share, locals have been gaining at the expense of majors since 1971, although deregulation increased the pace of this trend. The study concludes that locals have benefited much more from deregulation than have majors.

Giaoutzi, Maria., and Peter Nijkamp. "New Information Technology and Spatial Transport Development." *Transport Reviews* **9 (October/December 1989): 347-60.** Discusses developments and trends in transportation and information/communications. There is an illustrated discussion of the product life-cycle nature of transportation modes. Notes covering important points made at several European conferences are presented. Notes that the new information technologies impact on spatial location are likely to be moderate. While they provide a greater potential for dispersion of activities to outside the metropolitan area, the new technologies themselves grow out of metropolitan agglomerations. Still believe that the new technologies may have important consequences for regional economic development.

Gilley, Otis W., Yeung-Nan Shieh, and Nancy Williams. "Transportation Rates and Location of the Firm a Comparative Static Analysis." *Journal of Regional Science* **28 (May 1988): 231-38.** A technical paper dealing with propositions regarding the locational decision of the firm. If the production function is homogeneous of degree one and transportation rates vary only with distance, then the optimum firm location is independent of the level of output. This is not the case if transportation rates depend on the amount shipped and have constant elasticities.

Gittings, Gary. and Evelyn Thomchick. "Some Logistics Implications of Rail Line Abandonment." *Transportation Journal* **26 (Summer 1987): 16-25.** Reports the results of a 1983 telephone survey, and a 1986 follow-up, of rail shippers who were expected to have decreases or terminations in rail service. There is a discussion of the factors besides rates that contribute to firm costs of handling goods. The primary trade-offs are between transport rates, inventory costs, and service levels. Railroad disadvantages are seen as larger required shipments, longer shipping times, more frequent failure to deliver on time, greater damage to goods, and longer waits for claims settlement. These disadvantages undermine the railroad's principal advantage of lower freight rates. The primary effect of rail service reduction or loss was to switch to truck transport. In terms of policy implications, it is suggested that state action take into account the total logistic costs and the range of logistic alternatives available when evaluating the impact of a loss of service. Freight rats alone are inadequate representations of the relative costs of using alternative modes of transport.

Gladwell, David M. "The Barge Freight Call Session of the Merchants Exchange of St Louis: An Innovation in Transportation Pricing." *Transportation Journal* **20 (Fall 1980): 5-15.** A discussion of the organization of the barge freight call sessions. The Merchants Exchange essentially receives a fee for the use of facilities. Buyer and seller reach an agreement that is then formalized with a contract which is settled with a cash payment. Overall freight rates tend to follow the same trends and levels as the rates settled on in the call sessions. The economic impact of the market on carriers, shippers, and brokers and resellers is discussed. Pure barge lines tend not to participate in the market which is dominated by grain companies that own barge fleets. The impact on shippers is not settled. However, since shippers participate in the market there must be benefits they obtain from this participation. Prospects for the future include and extension of the call session concept to transportation of other commodities and to other modes of transport.

Grandjean, A., and C. Henry. "Economic Rationality in the Development of a Motorway Network." *Transport Reviews* **4 (April/June 1984): 143-57.** An application of cost-benefit analysis to the French road system. There is a demonstration that the cost-benefit analysis as currently performed favors too roads over ordinary trunk roads. Both public and private companies operate the toll roads in France. The French case is contrasted with that in Britain. The French motorway network is more ambitious because the road authority has sole control, most motorways are supported by tolls, and public objections are minimal.

Greene, Michael J. *Coordinating Rural Transit: Stretching State Resources for Better Service.* **Lexington, KY: Council of State Governments, 1987.** Provides a summary of rural transportation coverage. Illinois had 57 rural and specialized transport agencies funded by the Urban Mass Transportation Act as of 1986. Eighty to eighty-nine percent of Illinois counties are regarded as covered by service. This places Illinois in the lower end of the distribution of coverages in the U.S. There is an appendix listing all the state coordination programs. Illinois coordination authority is under Resolution 1299 which authorized the Illinois Department of Rehabilitation to convene a task force. Technical assistance in Illinois is provided through the Division of Public Transportation.

Gronberg, Timothy., and Jack Meyer. "Transport Inefficiency and the Choice of Spatial Pricing Mode." *Journal of Regional Science* **21 (November 1981): 541-49.** This paper investigates a simple model in which the firm simultaneously chooses a price and a transport mode. Two pricing modes, mill pricing and price discrimination are considered. There is a discussion of the which party, the customer, the firm, or a transport firm, should physically transport the product. It is shown that a firm might transport product inefficiently to maximize its profits through price discrimination. On the other hand, a firm might choose not to price discriminate in order to utilize the least cost method of transportation.

Guess, George M., ed. *Public Policy and Transit System Management.* **New York: Greenwood Press, 1990.** A collection of works by a number of authors. Three chapters deal with financing with two of these presenting case studies of systems in Georgia and California. Three chapters deal with issues in budgeting. There is a chapter on measuring performance and another dealing with contracting out of transit services.

Hanson, Steven D., C. Phillip Baumel, and Daniel Schnell. "Impact of Railroad Contracts on Grain Bids to Farmers." *American Journal of Agricultural Economics* **71 (August 1989): 638-46.** This is an empirical analysis of the impact of railroad deregulation on prices received by soybean, corn, and wheat farmers. The significant change in deregulation was that it removed the prohibition on contracts between railroads, shippers, and receivers. The price determination model which is the basis for the estimates is for a single elevator when destination and/or origin contracts are available. The data on wheat are from Kansas and Oklahoma. The data for corn and soybeans are from Nebraska, Iowa, Minnesota, and South Dakota. The results indicate that destination contracts had no significant impact on prices paid to farmers for wheat but increased the prices received by corn and soybean farmers. On the other hand, origin contracts had no significant impact on prices to corn and soybean farmers but significantly increased the prices received by wheat farmers in the southern wheat belt.

Haritos, Z. J. "Transport Enterprises: The Canadian Experience." *Transport Reviews* **4 (July/September 1989) 213-39.** A review of the twenty-two federal transportation enterprises in Canada. Does not examine the efficiency of the industry because some activities are non-commercial and were taken on to support policy objectives. Does provide an overview of the arguments for and against privatization. The arguments for privatization are: reduction in size of government, reduction in government spending, easing the burden on government officials, greater efficiency, reorganization of the industry, and capture of past public investment. Arguments against privatization are: private capital would be diverted into less efficient activities, would require direct funding of non-commercial activities, loss of close connections with other government agencies, resistance within the industry, and legal considerations and difficulties. Concludes that Canada will continue to participate in the transportation industry.

Harper, Donald V., and James C. Johnson. "The Potential Consequences of Deregulation of Transportation Revisited." *Land Economics* **63 (May 1987): 137-46.** This is a reexamination of an earlier piece by the authors prior to actual deregulation. One of the major predicted impacts of deregulation was a decrease in transport rates. Deregulation has slowed the pace of railroad rate increases. However, some rail rates have gone up and others have gone down in the adjustment to deregulation. Motor truck transport has greatly increased capacity following deregulation. Generally, motor freight rates have declined as a result of deregulation. The railroad industry has gained the most from deregulation. Freed from regulation, rail lines have been able to respond more effectively to changes in conditions and are more competitive. Dismisses the argument of destructive competition offered by regulation proponents arguing that deregulation has simply resulted in the elimination of inefficient firms. As regards the loss of service or discrimination against certain shippers as a result of deregulation, the results are mixed. There is no clear evidence on railroad rates. However, reports that the results of several studies indicate that small and rural shippers have found that rates are the same or moderately lower and that service quality has not been reduced and has increased in some cases.

Harper, Donald V. "Consequences of Reform of Federal Economic Regulation of the Motor Trucking Industry." *Transportation Journal* **21 (Summer 1982): 35-58.** Four hypotheses are addressed in this paper on the regulated interstate trucking industry: market forces dominate the market, management of trucking firms are more innovative, shippers are more innovative, and there is poorer quality and level of service to undesirable locations. The data for the paper comes from personal interviews and a mail survey of carriers and shippers in Minnesota. Less than one-half the carriers and somewhat over one-half the shippers were located outside the Twin Cities area. Market forces were found to dominate the entry, pricing, and quality decisions. There has also been greater emphasis on marketing, cost control, and operating efficiency. Shippers have also negotiate more on rates and service. Finally, the findings for the nature of services to undesirable locations was mixed. The quantity and quality of service increased for many routes. Deficiencies in service to smaller communities were not noted. The conclusions are supportive of the decision to deregulate the trucking industry.

Hazard, John L. *Transportation: Management, Economics, Policy.* **Cambridge, MA: Cornell Maritime Press, Inc., 1977.** A textbook covering rail, pipeline, air, water, and highway transport modes. There is a historical overview of U.S. transportation and a section on basic economic theory as applied to transport problems.

Highway Research Board. *Demand-Responsive Transportation Systems.* **Highway Research Board Special Report, no. 136. Washington, DC: Highway Transportation Board, 1973.** A collection of papers from a conference on dial-a-ride bus service. In this type of operation, customer call a central dispatcher that attempts to group customers with similar origin-destination pairs into the same vehicle for the purpose of reducing the cost of the service. There are ten reports on specific dial-a-ride programs. There is a discussion of user preferences with regard to dial-a-ride which would be of use in designing a system or in monitoring the performance of an existing service. A special section is devoted to the computer technology used in these programs.

Highway Research Board. *Public Transportation Research Needs.* **Highway Transportation Board Special Report, no. 137. Washington, DC: Highway Transportation Board, 1973.** Directed to research needs of urban transportation but there commonality of problems regardless of the area served.

Hoover, Harwood, Jr. "Pricing Behavior of Deregulated Common Carriers." *Transportation Journal* **25 (Winter 1985): 55-61.** The study focuses on pricing practices of Class I and II common carriers. Data was gathered by mail survey with 185 useable responses. The majority of the carriers indicated that on some shipment, less than truck load and rural service, that they lost money under regulation and still lose money on these services. Carriers have not switched to contracts but continue to use tariff-style rate making. Discounting of tariffs is common place with a majority reporting rates close to cost on fifty percent or more of their revenue. The group as a whole has not engaged in innovative practices since deregulation. The innovation they do report are: development of detailed information regarding competitors, pricing after detailed market study, and adding service to new areas.

Horn, Kevin H. "Federal Preemption of State Transportation Economic Regulation: Conflicts Versus Coordination." *Transportation Journal* **23 (Winter 1983): 28-46.** Discusses the evolution of regulation in the air, rail, and motor transport industries. Federal preemption of state authority in transportation has been complete in the airline industry but less effective in the rail and interstate motor bus sectors. Federal oversight of regulation in these areas is seen to effectively end state regulation in these sectors as well. Federal preemption is seen as a solution to the problem of burdensome state regulation adversely effecting interstate traffic.

Howe, John., and Peter Richards., eds. *Rural Roads and Poverty Alleviation.* **Boulder, CO: Westview Press, 1984.** This is a collection of papers on rural roads as they affect income in developing countries. While the context is international, there is some similarity in the problems and issues faced in the relative sense.

Illinois Department of Transportation. *Illinois Transportation System: Facts/1989.* **Springfield, IL.** A collection of charts that illustrate facts regarding Illinois' highways, public transit systems, airports, passenger rail routes, and port districts.

Illinois Department of Transportation. *Illinois Port District Capital Development Plan, FY85-FY89.* **Springfield, IL: Division of Water Resources, I984.** The inland waterway system is critical to rural Illinois for several reasons. First is that coal, grain, and many other commodities, essential to rural communities and producers are transported on the rivers. Second, and equally important for rural communities, is the economic effects of river traffic. Cities such as LaSalle-Peru, Havanna, and others obtain important employment from terminals and businesses relying on river traffic. This report presents the intermediate term plans for capital improvements on the the rivers and reports the findings of the studies underlying the plans. There are 9 port districts examined in the plan and the report offers significant insights into the traffic on the river as well as the need to keep the ports operating efficiently.

Ingram, John W. "Government and the Midwest Railroads: Notes on the Demise of the Chicago, Rock Island, and Pacific Railroad Company." *Transportation Journal* **19 (Spring 1980): 29-37.** A critique of government rail transport policy illustrated by a case study of the Rock Island Road. Notes that agricultural railroads are low-density operations which tend to be labor intensive. There is an explicit example to illustrate the basic operational needs in such a system. Notes that, given railroad organization, a truck will carry as much in two months as a railroad car will carry in a year. This underutilization is not a weakness of the rail transport but of rail transport organization. The role of the labor union in blocking innovations in service are also discussed. Concludes that all the problems ion the rail industry are institutional as opposed to technological. The chief problem is seen as resulting from the number of institutions and vested interests that are involved.

Johnson, Richard L. "Networking and Market Entry in the Airline Industry: Some Early Evidence From Deregulation." *Journal of Transport Economics and Policy* **19 (September 1985): 299-304.** An assessment of networking and the impact of deregulation in the airline industry. The ample consists of 111 city-pairs where some service. A logit model with the dependent variable successful entry into the market or not was utilized. Factors of success are network complementarities, concentration, load factor, growth, and volume of traffic. Network complementarities as measured by the number of passengers the entering carrier brought relative to the number provided by existing carrier was a significant factor in success. The load factor was also significant in success. Following deregulation 158 city-pairs began to receive airline service they had not previously enjoyed. It is concluded that regulation prevented some service and prevented airlines from creating efficient route structures that better utilized their equipment.

Keeler, Theodore., and John S. Ying. "Measuring the Benefits of a Large Public Investment: The Case of the U.S. Federal Aid Highway System." *Journal of Public Economics* **36 (June 1988): 69-85.** This is a technical study of the benefits to the motor freight industry of the extensive investment in the Federal-aid highway infrastructure. From 1950 to 1983, the highway stock has grown from $43.5 billion to $199.1 billion in real terms. Estimates are based on a translog cost function. Estimates of the reduction in costs per revenue ton mile from 1951 to 1973 indicate uniformly growing savings over the period. HOwever, the marginal benefits in the 1970's began to approach zero. This is also about the time that highway expenditures slowed. In total, the benefits of the Federal-aid highway investment to the motor trucking industry alone are equal to one-third to one-half of the costs of the program.

Kihl, Mary. "The Impacts of Deregulation on Passenger Transportation in Small Towns." *Transportation Quarterly* **42 (April 1988): 243-268.** An analysis of the impact of deregulation on airline and passenger bus service to small towns. National data is used but detailed discussions are for small metropolitan areas in Iowa. Nationally, non-hubs enjoyed an increase in weekly departures but much less than for all other types. Weekly seats declined by 9.7 percent at non-hubs. Data for the Upper Midwest indicates that there is considerable variation in daily flights and seat availability changes in all airport size classes. The considerable turnover in providers in service to Iowa airports is illustrated and discussed. Emplanements outside of the larger cities have declined substantially in most cases. Full fares have increased dramatically, increasing the most on the shorter routes. Discounted fares, however, has decreased in most but not all instances. For intercity passenger bus transport, there was an acceleration of the decline in regularly scheduled bus service. In Illinois, the rate of abandonment was about 15 towns a year. Since deregulation, the rate has been 70 per year. Charter bus services have been major gainers. Operating with about three buses, they are able to undercut traditional companies offering regular routes and making up losses with charter service. Bus fare structure is also seen to have increased intercity fares. The use of the zonal as opposed to city-pair pricing has made buses less competitive than airlines. Outlines a proposal for an intermodal transport system to restore service to rural and small communities.

Kling, Robert W. "Deregulation and Structural Change in the LTL Motor Freight Industry." *Transportation Journal* **29 (Spring 1990): 47-53.** Argues that the competitive benefits of deregulation are not likely to benefit the less-than-truckload (LTL) segment of the motor freight industry. Data shows an increasing trend toward concentration in LTL service. There is also considerable instability in LTL market shares outside of the top three carriers. A statistical test of the relationship between size and annual growth indicates that larger firms have an advantage when demand is light. Economies of scale arise from terminal indivisibilities, management, and financial capital costs. Scope economies result from not needing to transfer cargos, something smaller carriers with less extensive routes must do. Also, larger companies have an advantage in securing access to large shippers. An empirical examination of the relationship between size and rates indicate that larger firms have a rate advantage. Argues that contestability does no apply to the LTL motor freight sector.

Kusumoto, Sho-Ichiro. "On a Foundation of the Economic Theory of Location: Transport Distance Versus Technological Substitution." *Journal of Regional Science* **24 (May 1984): 249-70.** A technical article addressing the theoretical problem of locating a plant to minimize the cost of transportation. A concise summary of results from other research is presented. The analysis allows the firm to both design a facility and choose a location simultaneously.

Lee, Tenpao, C., Phillip Baumel, and Patricia Harris. "Market Structure, Conduct, and Performance of the Class I Railroad Industry, 1971-1984. *Transportation Journal* **26 (Summer 1987): 54-66.** A technical paper investigating many characteristics of the Class I railroad industry. The statistical analysis indicates that the trend to fewer miles and fewer firms is a long-term historical trend that seem to be unaffected by deregulation in aggregate. This implies that abandonments in terms of total track mileage do not seem more likely than they would have been prior to deregulation. Notes that deregulation has reduced freight rates and that firms are more inclined to experiment with different rate structures and marketing concepts as a result of deregulation.

Liew, Chong K., and Chung J. Liew. "Measuring the Development Impact of a Transportation System: A Simplified Approach." *Journal of Regional Science* **25 (May 1985): 241-257.** This is partially a technical paper. The multiregional variable input-output model developed is employed to measure the impact of the Arkansas waterway over the period 1974-78. Advantages of the model are flexibility, computational simplicity, and the inclusion of cost changes. The national final demand is allocated to regions using proxy variables: county personal income for consumption and local government expenditures for national government expenditures. Trade flows are measured with the RAS-adjusted-gravity model to achieve consistency between input-output tables and trade-flow tables. A shipper survey was used to measure cost savings by commodity on each trading route. Total transport costs were estimated for each 4-digit SIC industry group. Application of the model allowed estimates of the impact of the waterway on industrial output, employment, prices, and regional trade structure. The model is applicable to evaluation of the development impact of many other transportation modes. Evaluation of new highway construction and rail abandonment are specifically cited by the authors.

Maggied, Hal. S. *Transportation For the Poor: Research in Rural Mobility.* **Boston: Luwer-Nijhoff Publishing, 1982.** A collection of papers on the role of transportation in improving rural mobility. The discussions are set mostly in terms of rural Georgia. A large portion of the book is devoted to background, historical development, and rural legislation. A factor analysis applied to Georgia counties indicated a strong relationship between mobility, personal income, poverty, "ruralness", and commuter employment. A chapter on mobility disadvantages indicated that distance and travel costs resulted in low labor force participation rates. The point is made that programs for the elderly and handicapped do not address the needs of nonworkers. There is a final chapter on overall conclusions and recommendations for the state of Georgia.

Maze, T. H. "The Value of Information in Unregulated Truck Service Markets." *Transportation Journal* **20 (Winter 1980): 57-62.** An application to the unregulated Florida produce handling motor freight industry. Sufficient data from a mail survey and a direct survey was available to compare costs between small and large carriers. Larger carriers, with better market information, are able to acquire the less costly hauls. They are also able to utilize their equipment better and obtain quicker turnarounds. The smaller operators are seen to operate at a relative disadvantage because of a lack of information.

Maze, T. H., Allen R. Cook, and Max Carter. "Restoring Rail Service Along the Old Chisholm Trail: The Oklahoma Brokerage Approach." *Transportation Journal* **23 (Spring 1984): 15-23.** This is an analysis of the restoration of part of the Rock Island Line in Oklahoma. The revitalization was accomplished by a cooperative financial agreement between the state of Oklahoma, a shipper's association, and the private operator. The Oklahoma financial contribution was only interim. A description of the process of revitalization is given. Early attempts by the shipper's association to continue the service with a lease agreement with the Rock Island trustee failed. The successful program involved purchases of track by the state, the shipper's association, and the private rail operator. Lease-purchase agreements with the state and the shipper's association will eventually allow the private operator to acquire all the trackage and reimburse the other parties. The initial prognosis appears good. The change in operator has resulted in better service to shipper's which is an outgrowth of their involvement with the project. The state's role is described as that of a broker between the parties. It is suggested as an approach to other transportation problems as well.

McFarland, Henry. "Transport Costs and Processing." *Journal of Transport Economics* **18 (September 1984): 311-15.** This is a reexamination of a study by A. J. Yeats that transport costs often rose sa a percentage of value with additional processing of goods. The analysis is confined to goods shipped by water. The findings of the earlier study are confirmed.

McMullen, B. Starr. "The Impact of Regulatory Reform on U.S. Motor Carrier Costs: A Preliminary Examination." *Journal of Transport Economics and Policy* **21 (September 1987): 307-19.** Cost and Revenue functions are estimated for the motor freight industry. One of the more dramatic changes created by the deregulation of the industry was the growth in brokers from less than 100 in the 1970's to close to 4,000 by 1985. Brokers allow smaller firms access to the benefits of networking, necessary to achieve economies of scope. A previous survey of brokers indicated that may used owner-operators exclusively for less-than-truckload and truckload shipping. There is a cautionary note that using cross-section data to estimate cost functions may be erroneous when an output measure is used to classify firms. Cost estimates suggest constant returns to scale. One change in the cost estimates between the regulated and deregulated cost functions is that average length of haul becomes statistically significant only in the deregulated period. The conclusion is that networking economies were being achieved in the deregulated environment that were not available in the regulated one. Brokering also became significant following deregulation. The revenue function estimates also show a dramatic increase in the importance of brokering in the deregulated period. In general, significant differences were seen between the cost and revenue functions for the two periods. The most interesting are those coefficients on brokering whose growth as a result of deregulation was not generally foreseen.

Meyers, Harry G. "Displacement Effects of Federal Highway Grants." *National Tax Journal* **40 (June 1987): 221-235.** This study assesses the extent to which federal grants for highways to states are shifted to other programs or used for tax relief. There is a clear exposition of the effects of a matching grant. Illinois received the third highest amount of federal grants for non-interstate highways in 1982. There is considerable variation in matching outlays by states. Several states spent less than required but most spent more with Illinois spending almost twice what was required for the match to federal grants. A demand for highways function is estimated which also captures the diversion of highway funds to other uses. Argue for changes is the federal highway grant system noting that there is a 63 percent displacement rate of state outlays.

Middendorf, D. P., K. W. Heathington, F. J. Wegmann, M. W. Redford, A. Chatterjee, and T. L. Bell. *Cost-Effectiveness of Transportation Services for Handicapped Persons: Research Report* **National Cooperative Highway Research Program, no. 261. Washington, DC: National Transportation Research Board, 1983.** This is an extensive research summary that provides information on the characteristics of the handicapped population, their travel needs, and the factors affecting their need for travel. Also there is a section on alternative systems of transportation with information on costs, use, and benefits. The cost-effectiveness of a number of services are presented. The Proviso Township and Will County services in Illinois are included in some of the data.

Miller, Charles R. *Indicators of Quality in Maintenance.* **National Cooperative Highway Research Program, Synthesis, no. 148. Washington, DC: National Transportation Research Board, 1989.** This conference focuses on the assessment of the quality of the highway system. Included are definitions of quality and suggested standards as well as a discussion of current practice. Notes that despite considerable research, local officials still ask questions that are already answered, reflecting a lack of communication of research results to those who need it most. There are detailed maintenance evaluation forms provided for reference. Highlights of a survey of state officials as to quality assurance programs is also included. The state of Illinois does have a system for monitoring the quality of maintenance but there is no information about lower levels of government in the state.

Miller, David R., George T. Lathrop, Darwin G. Stuart, and Theodore O. Poister. *Simplified Guidelines for Evaluating Transit Service in Small Urban Areas.* **National Cooperative Transit Research and Development Program, no. 8. Washington, DC: Transportation Research Board.** Deals with the problems of making information concerning the transit system accessible to local decision makers. Covers a large number of indicators of service and performance. Even offers suggestions for formats and graphics for reports.

Miller, James P. "Interstate Highways and Job Growth in Non-metropolitan Areas: A Reassessment." *Transportation Journal* **19 (Fall 1979): 78-81.** This is a discussion of the empirical evidence on the connection between non-metropolitan job growth and interstate highways. A map of the U.S. counties with an interstate is provided. Comparison are for non-metropolitan counties with and without interstate highways passing through them. The evidence is that interstates did appear to have an impact on job growth in the late 1960's but that this effect has diminished in the 1970's. The pattern of growth in manufacturing and trades and services is more mixed. In three of four regions, there was evidence that growth rates favored non-interstate counties. The only exceptions were manufacturing in the west region and trade and services in the Northeast. Some evidence for positive effects on total employment by interstates was found in the Northeast counties with some urban population, in the North Central in less urbanized counties, and in totally rural counties in the West. One possible explanation is that the completion of the interstate system allowed state highway funds to flow to other road systems which improved non-interstate county access. Another is that the substantial part of the growth had already taken place in the non-metropolitan counties prior and during construction and that the effects are now spreading out to non-interstate counties.

Obeng, Kofi. "Bus Transit Cost, Productivity and Factor Substitution." *Journal of Transport Economics and Policy* **19 (May 1985): 183-203.** A technical paper which develops a model for estimating total factor productivity and applies it to 62 bus lines. The emphasis is on urban lines but the methodology is applicable to bus lines in other settings. Both short and long run estimates are made. Diseconomies of scale are found. Diseconomies of density are also found which implies costs increase with decreases in density of population. Substitution of capital for labor is seen to lower costs for all bus lines. Improvement in fuel productivity is another important cost reduction strategy.

Obermeyer, Nancy J. "Regional Equity in Turbulent Times: The Experience of the Regional Transportation Authority of Northeastern Illinois." *Applied Geography* **10 (April 1990): 147-161.** A discussion of the concept of regional equity, which describes some of the measures of equity which have been used in past research. The case study to illustrate the arguments is the transportation system serving the Chicago metropolitan area. ARgues for identification of both procedural and substantive elements that would be tailored to the specific regional situation.

Ohta, Hiroshi. "On The Neutrality of Freight in Monopoly Spatial Pricing." *Journal of Regional Science* **24 (August 1984): 359-71.** A theoretical paper on the relationship between produce price and freight rates.

Oster, Clinton V., Jr., and C. Kurt Zorn. "Impacts of Regulatory Reform on Intercity Bus Service in the United States." *Transportation Journal* **25 (Spring 1986):33-42.** A discussion of the loss in passenger bus service to small communities. Bus service in 1981 served between 10,000 and 14,600 communities. By comparison, Amtrack serves about 500 and scheduled airlines about 600 communities. Also, bus passengers are more likely to be lower income, over 65, under 18, black, and female. The measures of service used are number of communities receiving scheduled service and number of departures per week. From 1975 to 1984, there has been a substantial decreases in regular service and other scheduled service to small communities in the twelve sate study area. Deregulation greatly increased the rate of loss of service at first but the rate of loss has returned to pre-deregulation levels. Departures also continued to decline after deregulation. Of the cities to which service terminated, 86 percent were less than 2,500 and 96 were less than 10,000 in population. Bus deregulation is not seen as the cause of the decline in service to small communities since this trend was apparent before deregulation. The author notes that further research should look at the impact on fares and on the growth in charter service.

Pautsch, Gregory., and C. Phillip Baumel. *User's Manual for the County Road Evaluation Program.* **University Research Program, DOT/OST/P-34/86/034. Washington, DC: U.S. DOT, 1986) .** The materials presented in these reports are based on a detailed study of transportation patterns in three rural Iowa counties. The research effort is one of the most detailed analysis of transportation trips undertaken for a rural area. The intent of the study was to identify the types of trips made in these areas and to estimate the effects of alternative transportation policies such as reducing the size of the system by closing roads or bridges. Household survey information was collected in 1982 to determine the reasons for trips on rural roads. A majority of the travel was for commuting to work, shopping, and recreation. In one county, for example, as much as 70 percent of the travel was for household purposes. Approximately 30 to 35 percent of the travel was farm related and involved trucks, farm vehicles, and automobiles in two of the counties. Pick-up truck miles represented the greatest proportion of the miles of farm-related vehicles. Other services such as school bus travel and postal service trips represent only about two percent of the miles driven. Computer simulations were conducted based on the survey data to determine the effects of alternate policy actions. The basic findings were that the slow-moving agricultural traffic had high costs associated with re-routing when roads or bridges were closed. Benefit/cost ratios were computed for these policy options.

Pickrell, Don H. "Rising Deficits and the Uses of Transit Subsidies in the United States." *Journal of Transport Economics and Policy* **19 (September 1985): 281-98.** A study of the interaction of subsidies and the growth of deficits in U.S. transit systems. While not directly concerned with rural transportation, provides general information of use to policy makers considering subsidies to rural transport systems. The percentage contribution to deficit growth in transit operations by factor between 1970 and 1982 indicates that increased operating expense absorbed about 60 percent of transit subsidies. The next largest factor was reduced fares which absorbed about 14 percent of subsidies. An econometric analysis of operating expenditures indicates little ability to substitute for driver labor which makes up an average of 74 percent of operating cost. There also appears to be few substitution possibilities for fuel. Improving operating speeds does reduce cost probably through reduction in driver expense per mile. Estimates indicate that about 20 percent of an increase in subsidy is absorbed in higher operating expense. Argues that the growth in operating deficits is at much due to government agencies and transport officials as to other changes. Also argues that transit operators need to increase their cost control efforts, adapt service to changing patterns of demand, and charge fares that reflect the costs of services. Further argues that the growth in subsidies themselves may contribute to the rising operating deficits. Proposes formulae for subsidy distributions that provide incentives for transit operators to control operating costs and reconfigure their service to meet demand.

Pustay, Michael W. "Transportation Regulation and Service to Small Businesses: The Case of Contract Carriage." *Transportation Journal* **22 (Fall 1982): 11-7.** Focuses on the effect of deregulation in making contract service available to small communities and small businesses. A maximum of eight contracts could be entered into by carriers prior to deregulation. From a sample of 81 carriers, indicates that limitations on contracts did not exclude small shippers since few were at their quota of contracts. However, only 20 percent of contracts were with small shippers prior to deregulation. The conclusion is that contract quotas did not discriminate against small shippers and small communities.

Rakowski, James P. "The Market Failure in LTL TRucking: What Hath Deregulation Brought?" *Transport Practitioners Journal* **56 (Fall 1988): 33-43.** An article critical of deregulation of the less-than-truckload (LTL) sector of the motor freight industry. Argues that while there are no economies of scale for truck load shipments, there are economies of scale for LTL firms. Also, the competitive model, while applicable to the truckload sector is not applicable to the LTL sector. There is a comparison of the two types of operations in terms of production and market characteristics. Examining the top three and top ten firms in terms of operating income and operating revenue over the period 1979 to 1985 indicates that the top ten and especially the top three have increased their industry shares. The argument is that smaller companies have been unable to compete in the LTL market.

Rakowski, James P. "Marketing Economies and the Results of Deregulation in the Less-Than-Truckload Sector." *Transportation Journal* **27 (Winter 1987): 11-22.** An article critical of deregulation in the LTL sector. The discussion is based on a sample of 100 largest Instruction 27 carriers for the years 1979, 1984, and 1985. Notes that operating revenue has been concentrating in the top quartile of this group while operating income has been concentrating in the top fifty percent. For LTL shipments, the concentration has been growing in the top quartile in term of both operating revenue and operating income. As of 1985, 26 out of the 100 firms are experiencing operating losses. Argues that shippers have been able to use deregulation to employ monopsony power. Makes an argument that the LTL sector is subject of economies of size. There is a discussion of marketing economies where large shipper, having more point-to-point connections have an advantage. Small and medium size LTL firms are seen as having poor prospects for survival.

Rao, Kant. "Policy Issues in Financing Future Highway Investments in the United States." *Transportation Journal* **26 (Fall 1986): 45-54.** A discussion of a number of policy issues related to federal highway expenditures and intergovernmental roles. Argues for developing priorities now that the interstate systems nears completion. Notes the disparity in financing methods between states. Discusses alternative forms of financing and criteria for selecting the appropriate financing mechanism. Concludes that state and local governments, in addition to traditional sources of funding, will also have to consider alternatives.

Reid, J. Norman., Thomas F. Stinson, Patrick J. Sullivan, Leon B. Perkinson, MonaCheri P. Clarke, and Eleanor Whitehead. *Availability of Selected Public Facilities in Rural Areas: Preliminary Estimates.* **Washington, DC: U.S. Department of Agriculture, Economic Research Service, Economic Development Division, l984).** The study represents a major effort by USDA to identify infrastructure conditions in nonmetropolitan areas. While the study examines conditions for a wide range of public facilities, two sections on local roads and bridges are especially relevant. The study focuses mainly on rural communities and less on unincorporated areas in rural counties. The study is subdivided into four main regions: Northeast, North Central including Illinois, South, and West. In the North Central region, 55.8 percent of the rural communities reported no miles closed awaiting repair. Three percent reported 2 miles or less and 3.4 percent reported 3.4 miles or more closed. Another measure of structural inadequacy is the posting of roads with weight limits. A total of 39.5 rural communities reported no miles posted for a load limit of 20 tons or less. An additional l0 percent reported postings of 2 miles or less and 5.5 percent reported 3 to l0 miles in this category. In the ll miles or more category, 7.l rural communities responded. There are several measures of bridge condition reported by size of government and region. A total of 22.9 percent reported bridges with maintenance deferred

I year or more. There were I0.2 percent reporting load limits of 6 tons or less. and 22.3 percent reported having bridges which are narrow. Other measures are discussed in the report. Information on the conditions of local infrastructure in rural areas is sadly lacking yet is critical for informed policy decisions. A significant problem is that local officials have neither the funds nor the expertise to carry out extensive ratings programs. This report provides basic information on several indices of structure and condition.

Roark, John J. *Experiences in Transportation System Management.* **National Cooperative Highway Research Programs, Synthesis, no. 81. Washington, DC: Transportation Research Board, 1981.** Concerned with mainly urban transit but there is material applicable to any setting.

Russon, Manuel G., and Craig A. Hollingshead. "Convenience and Circuity in a Short-Haul Model of Air Passenger Demand." *The Review of Regional Studies* **19 (Winter 1989): 50-56.** A technical paper estimating the demand for air passenger service. The sample consists of 458 city-pairs from 35 Southeastern cities. Model includes population characteristics between city-pairs, airline convenience characteristics, and driving time less connecting flight time. The later allows for including the effects of automobile travel as a substitute. Three variations of the model were tested. The number of passengers is found to be an increasing function of population densities, income, and connecting and non-stop connecting time. The research demonstrates that short-haul air travel convenience must exceed that of alternative modes. Also, regional service can be improved through the strategic placement of hubs.

Salomon, Ilan. "Telecommunications and Travel: Substitution or Modified Mobility?" *Journal of Transport Economics and Policy* **19 (September 1985): 219-35.** This article discusses travel and telecommunications as components of an overall communication system. Notes that information processes now accounted for 53.5 percent of employee compensation as far back as 1967. Sees telecommunications as modifying rather than substituting for travel. Examines the travel decision as an individual and as an organizational decision. The individual's travel decisions are for work, shopping/personal business, and recreation/social. The potential for telecommunications to reduce work travel time is discussed. Shopping trip substitution may reduce individual trips but increase travel for delivery. Travel for recreation/social activities is expected to increase. There is a possibility that in cases of dual purpose travel that one activity may be substituted for by telecommunications but that the other will still require the trip. Studies of business travel indicate that perhaps one-half of business travel can be replaced by telecommunications.

Starkie, D. N. M. "Road Indivisibilities: Some Observations." *Journal of Transport Economics and Policy* **16 (September 1982): 259-66.** An essay discussing the assumption of road indivisibility. Notes that most discussions of capacity have centered on the number of lanes. Describes some of the other features of a road that contribute to its capacity. Presents an illustration of capacity for three types of two lane roads which relates to the type of rural two-lane road found in Australia. The cost studies behind the three designs are briefly discussed. In terms of rural road construction, is arguing for examination of alternative designs that may vary in characteristic as a means of improving rural transportation. The article does not provide technical information but does offer some suggestions with references to other work noted.

Transportation Research Board. *New Organizational Responses to the Changing Transit Environment.* **Transportation Research Board Special Report, no. 217. Washington, DC: Transportation Research Board, 1988.** This is a collection of papers from a conference on organizational innovations in transit operations. One paper provides a case study of small and medium size transit systems. In this paper it is noted that smaller systems generally experience greater revenue shortfalls. Some the reasons are: extensive federal regulations and lower levels of federal funding, especially for operating costs. State and local responses to the reduction in federal funding are discussed, including a developer impact fee.

Transportation Research Board. *Transit Management, Marketing, and Performance.* **Transportation Research Record, no. 1144. Washington, DC: Transportation Research Board, 1987.** A collection of papers directed to the problems of urban transport. However, one of the papers relates to marketing tools such as free coupons and information dissemination. Another paper deals with using surveys to determine the demand for ridership.

Transportation Research Board. *Innovation, Winter Maintenance, and Roadside Management.* **Transportation Research Record, no. 1127. Washington, DC: Transportation Research Board, 1987.** This is a collection of technical papers related to winter maintenance of highways. There is a selection on winter maintenance of low-volume roads illustrated with an application to northern Minnesota.

Transportation Research Board. *Research for Pubic Transit: New Directions.* **Transportation Research Board Special Report, no. 213. Washington, DC: Transportation Research Board, 1987.** This is a report on a comprehensive study of the research needs in public transit. The research needs were identified as: personnel management, service structure and marketing, models of service delivery, operational efficiency, maintenance, equipment, and innovative financing.

Transportation Research Board. *Transportation Education and Training: Meeting the Challenge.* **Transportation Research Board Special Report, no. 210. Washington, DC: Transportation Research Board, 1985.** This is a conference report to determine the outline of educational needs for transportation professionals. There is also information by state on selected salaries and fringe benefits. Illinois does not appear to be a high salary or benefit state.

Transportation Research Board. *Transportation Planning Analysis Used in Small and Medium-Sized* Communities. **Transportation Research Record, no. 842. Washington, DC: Transportation Research Board, 1982.** A collection of technical papers. Included is a discussion of a technical piece on estimating work trips in rural areas. A model developed in the paper is estimated for two rural towns. It was found that there was not a great deal of difference between coefficients in the two estimates. Of interest, it was found that financial considerations affect rural more than urban workers. Also, there is a suggestion that urban models cannot be routinely applied to rural situations.

Transportation Research Board. *State Transportation Issues and Options.* **Transportation Research Board Special Report, no. 189. Washington, DC: Transportation Research Board, 1980.** A conference report with reports from several workshops. There is a brief summary of state functions as they relate to small town and rural transit planning. There are also discussions of the state role in planning highway, rail, waterway, and aviation transportation services.

Transportation Research Board. *Paratransit.* **Transportation Research Board Special Report, no. 164. Washington, DC: Transportation Research Board, 1976.** The proceedings of a major conference on paratransit in 1975. Among the paratransit options include: car-pooling, subscription bus services, car rental services, taxis, demand-actuated shared-ride services, and scheduled buses or cars. One entire workshop was devoted to rural paratransit. It is noted that rural transit needs are not well served by fixed route transit. A suggestion for increasing rural service is to use loop services rather than conventional straightline and return routes. Brief case studies of seven state projects to foster better rural transportation are presented. Provides a good overview and background of rural paratransit.

Turshen, I. Jeffrey., and Kenneth W. Wester. "Allocation of Funds to Local Transportation Activities: Goal Programming and the Virginia Rideshare Program." *Transportation Journal* **26 (Winter 1986): 61-70.** Discusses the Virginia program to enhance transportation opportunities by encouraging ridesharing which consists of carpooling, vanpooling, and buspooling. To evaluate programs, the state has devised a set of four measures of effectiveness derived from explicit objectives. The chief measures are: number of riders place, reduction in vehicle miles, reduction in total programming. Weights attached to these objectives specify their relative importance.in travel costs, and reduction in gasoline consumption. This paper analyses the project using Several different policy constraints are considered including one that is close to the actual program. The results were that the three alternative policies all were superior to the actual policy. There is a discussion of the rural-urban concerns with the program which are at extremes in attributes of trip length and number of riders served. No evidence that either highly urban or rural areas are disadvantaged were found. There is a section regarding the practical considerations in implementing the program. The methodology appears useful in allocating funds among local units to achieve program goals and maintaining fairness.

Uri, Noel D., and Edward J. Rifkin. "Geographic Markets, Causality, and Railroad Deregulation." *The Review of Economics and Statistics* **67 (August 1988): 422-28.** This is a technical piece that primarily addresses the definition of a market. As a side product, it also provides some interesting conclusions regarding rail deregulation. The specific market studied was the wheat market. One issue is the geographical extent of the market. The findings are that the market is national. Since deregulation, the national character of the market has been strengthened. Useful in both the discussion of defining geographic areas of markets but also in the conclusion that there may be increased connectedness between regions as a result of deregulation.

Vickerman, R. W., and T. A. Barmby. "The Structure of Shopping Travel: Some Developments of the Trip Generation Model." *Journal of Transport Economics and Policy* **18 (May 1984): 109-121.** This is a technical paper which extends the trip generation model to determine the socio-economic determinants of variations in shopping trips. There is an extensive discussion of the considerations in implementing an empirical model based on theoretical considerations. The empirical data is provided from weekly shopping diaries for 851 households. The relationships between expenditures and trips was found to be complicated. Improved shopping facilities increased expenditure. Expenditure was found to be more important than income and the relationship between income and expenditure was not clear.

Vollmers, A. Clyde., and Stanley Thompson. "An Economic Evaluation of State Ownership of Grain Hopper Cars." *Transportation Journal* **21 (Summer 1982): 59-65.** This is a discussion of the economic aspects of state provision of rail cars. There is a discussion of the periodic shortages in rail equipment and their causes. Inefficient utilization of the fleet, in part due to regulation, is one factor. Another has been the economic factors that have discouraged investment. The combined impact of has been to cause railroads to decrease investment in rail cars with shippers only reluctantly investing. The study argues that state provision programs must either improve utilization of cars or encourage investment in cars. Is critical of state programs to purchase rail cars. The incentives created might actually decrease the long-run supply of rail cars. The public ownership of rail cars would be costly and ineffective since it does not address the fundamental underlying problems.

Walters A. A. "The Benefits of Minibuses: The Case of Kuala Lumpur." *Journal of Transport Economics and Policy* **13 (September 1979): 320-34.** While set in an international urban setting, this piece is some interest in suggesting a broader applicability of minibuses. A perceived advantage of minibuses was that they would reduce congestion by causing individuals to forego their private autos. Limitations in data prevented addressing some of the more intriguing questions. However, the minibuses appear to be very successful as indicated by the high demand for licenses. On the other hand, the flat fare charges encouraged people to use them as alternatives to the larger buses for long trips.

Weicher, John C. *Private Innovations in Public Transit.* **Washington, DC: American Enterprise Institute, 1988.** A collection of papers directed mostly to the problems of urban transport systems. There are discussions of private developer's role in public roads, toll roads, and privatized roads. A substantial section is devoted to the costs and benefits of private contracting for the provision of transit services.

Wolfe, K. Eric. "Long-Run Financial and Demographic Differences Between Failed and Successful Local and Regional Railroads." *Transportation Journal* **28 (Spring 1989): 13-23.** This study attempts to identify the factors associated with success or failure of local and regional rail lines. Out of 224 new local and regional rail lines, 191 have operated continuously for a success rate of 85 percent. The data covers the period 1979 to 1987. The data indicate that failed railroads started with higher debt/asset ratios and lower levels of cash flow than successful lines. Density was also a significant factor. Failed lines started with fewer ton miles per mile of track than successful firms. These factors combine to produce uncompetitive costs which leads to further declines in utilization of track and the need for more debt.

Williams, Huw C. W. L., and Laurence A. R. Moore. "The Appraisal of Highway Investments Under Fixed and Variable Demand." *Journal of Transport Economics and Policy* **24 (January 1990): 61-81.** A technical paper which develops a model to take into account the disbenefit affects of route improvements that shift traffic from one route to another. The resulting model is highly sensitive to degree of congestion and traveller response. Argues for simulations of be routine in either rural or urban road planning assessments since results can be sensitive to assumptions.

Williamson, Kenneth C., Marc G. Singer, and Roger Peterson. "The Impact of Regulatory Reform on U.S. For-Hire Freight Transportation: The Users' Perspective." *Transportation Journal* **22 (Summer 1983): 27-54.** This is an extensive study of the impact of deregulation on the users of freight transport. Data was gathered by mail survey of users. In terms of the impact of deregulation on service, users reported improvement in performance (30.2 percent), variety (51.6 percent), and willingness to negotiate (89.9 percent). The evidence for rats indicate widely varying experience by users. The largest and smallest firms reported the largest increases in rates. The authors do not believe there is wide spread cut-throat competition but that the rate changes are reflecting artificially low rates under deregulation for some users. There is considerable information regarding user's criteria in selecting between carriers. Asking for User's overall impression of deregulation, 83.6 percent reported that it had been an advantage. The conclusion with regard to small shippers and communities is that there appear to be few reports of service declines regardless of user size.

Williamson, Kenneth C., Lawrence F. Cunningham, and Marc Singer. "Scheduled Passenger Air Service to Small Communities: A Role for State and Local Governments." *Transportation Journal* **21 (Summer 1982): 25-34.** Discusses the role of government in providing air service to small communities in the wake of deregulation. Presents a listing of four types of policy measures along with the policy objective and the actual results. Argues that commuter airlines, freed from regulation, have dramatically increased the number of communities served. They have become proficient at matching equipment with market realities, although this has meant loss of jet service in many cases. While the best course of government action is to not intervene, however, political changes and realities may dictate other choices. A number of options for state intervention are considered. However, eligibility should be tied to specific criteria.

Ziegler, Joseph A. "Location, Theory of Production, and Variable Transportation Rates." *Journal of Regional Science* **26 (November 1986): 785-91.** This is a technical paper investigating the conditions under which location and output decisions are independent.